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**REPORT TO THE
SAN FRANCISCO BOARD OF SUPERVISORS**

**MANAGEMENT AUDIT OF THE
CITY'S PERMIT PROCESSING SYSTEM**

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**BUDGET ANALYST
FOR THE
SAN FRANCISCO BOARD OF SUPERVISORS**

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OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

October 26, 1989

Honorable Harry G. Britt, President
and Members of the Board of Supervisors
Room 235, City Hall
San Francisco, California 94102

Dear Mr. President and Members of the Board:

Transmitted herewith is the Budget Analyst's management audit of the City's systems for processing construction permits. The management audit reviewed the operations of those City departments that are involved in permit processing, including the Department of Public Works Bureau of Building Inspection (BBI), Department of City Planning, Department of Public Health, and the Fire Department. This management audit was conducted in accordance with Charter Section 2.401, which authorizes the Board of Supervisors to make inquiries concerning departmental operations.

The Chief Administrative Officer along with the Director of Public Works, the Deputy Director for Engineering and the Superintendent, Bureau of Building Inspection, the Chief of the Fire Department, the Director of Public Health, the Assessor, and the Director of Planning have had the opportunity to review and comment on this report. Their responses are attached to our report beginning on page 208.

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It should be noted that BBI has recognized many of its problems and has instituted various new programs and procedures within the past two years. These new programs and procedures have been largely successful and include:

- Reorganization of the plan checking and counter services functions to improve services to the public.
- Establishment of the Public Services Division to respond to inquiries by the public.
- Implementation of the Commercial Tenant Improvement program to improve permit processing for commercial office renovations.
- Establishment of a team concept for reviewing complex plans in the Plans Approval Division.

However, despite these efforts to improve its operations and management, BBI still uses many outdated procedures and inefficient equipment to manage the enormous amounts of data and information generated, does not conform to various local and state laws, and does not employ sufficient management controls to monitor its performance and the performance of its employees.

Although the Department of City Planning has recently initiated improvements to address excessive delays in the approval of residential alteration permit applications and should be commended for such initiatives, these excessive delays continue to exist.

In order to determine the amount of time the various building permit processing agencies are taking to review building permit applications, we gathered sample data on ten construction project types (prototypes), for example, on restaurants and on new one and two unit residences. We initially selected a sample of ten permits for each prototype and expanded the sample size for seven prototypes that indicated the possibility of a problem area. A listing of those seven prototypes, the total processing time in days taken by the City from the date of application for the permit to the date of permit approval, the average processing time in days by the Department of City Planning (DCP) and the percentage of total processing time by City Planning is shown on the following page.

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**City Planning Permit Processing
Times Compared to Totals**

	Number of Days of Processing Time from Date of Application to <u>City Approval</u>	Average Number of Days for DCP To Process <u>Permit</u>	Percent DCP Processing Time to <u>Total Time</u>
Restaurants	66.5	17.6	26.5%
Hi Rise Alterations	30.2	8.1	26.8%
1 and 2 Unit Horizontal Extension	100.4	49.8	49.6%
1 and 2 Unit New Construction	257.7	132.6	51.5%
Demolition	98.0	66.9	68.3%
Hi Rise New Construction	589.6	438.3	74.3%
5 or More Unit New Construction	214.9	194.6	90.6%

Our sample of permits for one and two unit horizontal extensions included permits issued as recently as July of 1989. In other sections of this report we explain how recent changes in processing of these permits by DCP have increased the complexity and processing time. Accordingly, since our sample included permits issued based on the earlier less complex requirements, the sample is believed to understate the current processing time by DCP for this type of permits.

Based upon our analysis of these seven prototype permits, including comparisons with other jurisdictions, the processing time taken by City agencies other than the Department of City Planning, appeared reasonable. Further, our review of three other prototype permit types (Commercial Alteration, Minor Residential Remodel and 5-or More Unit Residential Alteration), which are not normally processed by City Planning, did not disclose processing times that we judged to be unreasonable.

However, we did find the processing times for the Department of City Planning's review of residential alterations to be excessive.

TABLE 1
Summary of the results of the
1974-75 survey of the
U.S. economy

Category	1974-75 Survey	1973-74 Survey	1972-73 Survey
1. Total population	205,000,000	203,000,000	201,000,000
2. Total population 18 years and over	165,000,000	163,000,000	161,000,000
3. Total population 18 years and over, male	82,000,000	81,000,000	80,000,000
4. Total population 18 years and over, female	83,000,000	82,000,000	81,000,000
5. Total population 18 years and over, white	115,000,000	114,000,000	113,000,000
6. Total population 18 years and over, black	15,000,000	15,000,000	15,000,000
7. Total population 18 years and over, other races	3,000,000	3,000,000	3,000,000
8. Total population 18 years and over, foreign born	10,000,000	10,000,000	10,000,000
9. Total population 18 years and over, native born	155,000,000	153,000,000	151,000,000
10. Total population 18 years and over, married	105,000,000	104,000,000	103,000,000
11. Total population 18 years and over, single	60,000,000	59,000,000	58,000,000
12. Total population 18 years and over, divorced	2,000,000	2,000,000	2,000,000
13. Total population 18 years and over, widowed	3,000,000	3,000,000	3,000,000
14. Total population 18 years and over, never married	10,000,000	10,000,000	10,000,000
15. Total population 18 years and over, married, with children	65,000,000	64,000,000	63,000,000
16. Total population 18 years and over, married, without children	40,000,000	40,000,000	39,000,000
17. Total population 18 years and over, single, with children	10,000,000	10,000,000	10,000,000
18. Total population 18 years and over, single, without children	50,000,000	49,000,000	48,000,000
19. Total population 18 years and over, divorced, with children	1,000,000	1,000,000	1,000,000
20. Total population 18 years and over, divorced, without children	1,000,000	1,000,000	1,000,000
21. Total population 18 years and over, widowed, with children	1,000,000	1,000,000	1,000,000
22. Total population 18 years and over, widowed, without children	2,000,000	2,000,000	2,000,000
23. Total population 18 years and over, never married, with children	1,000,000	1,000,000	1,000,000
24. Total population 18 years and over, never married, without children	9,000,000	9,000,000	9,000,000

The results of the 1974-75 survey of the U.S. economy are presented in this report. The survey was conducted by the U.S. Bureau of Economic Analysis, Department of Commerce. The survey was designed to provide information on the economic conditions of the U.S. economy in 1974-75. The survey was conducted by the U.S. Bureau of Economic Analysis, Department of Commerce. The survey was designed to provide information on the economic conditions of the U.S. economy in 1974-75.

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A summary of our management audit findings is as follows:

- Section 1.1 - Department of City Planning: Implementation Division Functions, Workloads and Staffing

The Implementation Division of the Department of City Planning is not staffed to adequately service its current workloads. The Division requires additional permanent staff to service current permit processing and other caseloads and temporary assistance to eliminate backlogged caseloads. Yet, the average existing division staff member took 15.3 days of sick time and 9.4 days of compensatory time off in FY 1988-89, in addition to 13 days of vacation and 13 paid holidays, for a total of 50.7 days off or 10.1 weeks off. The Division needs better management of the work hours of Divisional staff members to enhance productivity.

- Section 1.2 - Building Permit Processing in the Department of City Planning

The Department of City Planning processes approximately 6,300 building permit applications on an annual basis, the large majority of which are for residential alterations. As of August 4, 1989, approximately 1,476 or 23.4 percent of all permit applications processed were backlogged, awaiting an initial review and approximately 1219, or 19.3% were on hold awaiting revisions or additional information. The average time required by City Planning to initially review a residential alteration application takes ten weeks. By obtaining temporary assistance to reduce backlogs, by assigning additional permanent staff to permit processing, and by changing specified operational procedures, the Department can reduce its backlogs and improve services to applicants.

- Section 1.3 - A Full Service Planning Department

The Department of City Planning has evolved into an organization primarily responsible for zoning decisions, reactive planning, and providing support for special projects, such as the Battleship Missouri, the Pier 39 Aquarium, and the baseball stadium. The Department's present staffing is inadequate to handle all of its implementation responsibilities, as well as its fundamental planning functions.

- Section 1.4 - Lack of Responsiveness to Information Inquiries and to Commitments Made

City Planning staff assigned to the Implementation Division are unresponsive. It is often very difficult to make contact with the person knowledgeable on a particular subject. The Division does not always return or answer telephone calls, respond to written inquiries, and does not sufficiently follow-through on necessary actions. In essence, the Division's lines of communication with the public are totally inadequate.

- Section 2.1 - Permit Application Processing in the Bureau of Building Inspection

The Central Permit Bureau and the Counter Services Division of the Department of Public Works Bureau of Building Inspection (BBI) are jointly responsible for the initial processing of permit applications at BBI. However, the Central Permit Bureau and the Counter Services Division have not efficiently divided their work and they do not efficiently utilize the automated Permit Tracking System. As a result, tasks are duplicated, staff and computer resources are wasted and public services are impaired. By reassigning clerical staff responsibilities and revising operating procedures to eliminate unnecessary duplication, service to the public would be improved and BBI would avoid costs of approximately \$25,200 annually.

- Section 2.2 - State-Mandated Information and Notification Requirements

Section 65940 of the Government Code requires public agencies to compile lists of information needed in order to prepare a complete development application. Section 65943 requires public agencies to determine an application's completeness within 30 days of receipt. The Bureau of Building Inspection's list is outdated, does not contain required information and is not readily accessible to the public. In order to circumvent the 30-day requirement of State law, the Bureau of Building Inspection unnecessarily convinces clients to sign a waiver of this right at the time of application. By developing and maintaining a list of information necessary for the preparation of a complete development application and informing the permit applicant of any new laws and regulations that may affect the applicant's project, the Bureau of Building Inspection would be able to comply with State law.

- Section 2.3 - System Management and Organizational Relationships

The Department of City Planning and the Bureau of Building Inspection are both key agencies governing development in the City. They both must review much of the same information in processing applications. The two organizations should be combined into a Department of City Planning and Community Development, benefitting the City by improved permit processing, improved adherence of construction to plans, and improved Code enforcement. Moreover, the Department of City Planning and the Bureau of Building Inspection each have strengths that could be used to enhance the operation of the other.

- Section 2.4 - Coordination of Permit Activity with the Assessor's Office

The Assessor's Office is responsible for changing the assessed value of a property once a building permit has been issued and the construction completed. BBI is responsible for furnishing the Assessor's Office with all permit applications after the applications have been microfilmed. However, BBI's controls on applications that are transferred to the Assessor's Office are inadequate, thereby resulting in loss of assurance that the Assessor's Office is actually receiving all permit applications. Further, illegible and incomplete applications cause the Assessor's Office to miss or overlook assessable construction projects. Based on our review of the Assessor's examination of BBI permit applications, horizontal extensions on as many as 32 properties per year are not reviewed and supplementally assessed by the Assessor's Office. This results in a loss of property tax revenues estimated between \$90,500 and \$126,700 per year to the City for horizontal extensions alone, and potentially results in significant dollar losses for other types of building alterations.

- Section 3.1 - Combined Inspections

New construction or major alteration of typical single or two family residences require an average of 13 individual building, electrical and plumbing inspections because the City's construction inspection program is organized on a construction specialty basis. The cost of each of these inspections is approximately \$50. If combination inspectors were used, as is the practice in jurisdictions ranging in size and complexity from Alameda County to the City of Los Angeles, it is estimated that the average number of inspections for single and two family residences could be reduced from 13 inspections to between eight and nine inspections. As a result, it is estimated that at least 21,000 fewer inspections would be required annually, at a savings to the taxpayers of an estimated \$1,050,000, annually.

- Section 3.2 - Code of Ethics

The Bureau of Building Inspection's Administrative Bulletin covering conflict of interest issues is not sufficiently comprehensive. As a result, Department policy regarding such issues as accepting favors or gratuities from Bureau clients is not specified. During the course of the audit, one instance of an inspector compromising his independence by accepting a gratuity from a client was observed. By developing comprehensive departmental policies on conflicts of interest, consistent with Charter Section 8.105, and by continually stressing the importance of its mandates, the Department can gain assurance that it is doing all that it can to avoid such problems.

- Section 3.3 - Building Inspection

The Bureau of Building Inspection does not ensure the conformance of actual construction with approved plans in all cases. Further, inspections are scheduled inefficiently, senior inspectors are inefficiently utilized, and inspector accountability is inadequate. As a result, the construction of nonconforming structures is approved, the daily number of inspections conducted is deficient given the number of inspectors, and inspector time is lost exacerbating the cost of inspection fees. By developing inspection policies and procedures to ensure the conformity of actual construction to approved plans, by utilizing clerical staff to schedule inspections, by reducing the amount of administrative office time of senior inspectors and by implementing improved performance evaluation procedures, these problems can be alleviated.

- Section 3.4 - Plumbing Inspection

The Plumbing Inspection Division of the Bureau of Building Inspection does not offer formal advance plan checking services to the public, does not adequately supervise its inspectors and does not have a sufficient management information system. By establishing plan checking as an available service for fee activity, strengthening supervisory control within current resources and implementing an automated management information system, improved service could be provided to the public and management effectiveness could be improved.

- Section 3.5 - Electrical Inspection

The direct supervision of electrical inspectors is inadequate, the present manual management information system is unreliable, and the Electrical Inspection Division does not engage in formal advance plan checking. By implementing a procedure for supervisory evaluation of field inspections and providing regular advance plan checking services, improved service to the public could be provided and operational efficiency could be increased.

- Section 4.1 - Housing Inspection

The City's Housing Code requires that the Housing Inspection Division conduct routine inspections of the City's 20,000 apartments and hotels on an annual basis. However, the Division conducted only 2,020 routine inspections during FY 1988-89, representing approximately 10.1 percent of the number of inspections required. Some buildings have not been inspected for over 10 years. By revising the Code to require routine inspections biennially or once every two years instead of once a year and implementing their new scheduled inspection program, the Housing Inspection Division can perform required periodic inspections of all apartments and hotels. The recommended revision to the Housing Code would also allow the elimination of two inspector positions at an estimated savings to BBI of \$114,400 annually.

- Section 4.2 - Report of Residential Building Record (3-R Report)

The Bureau of Building Inspection is responsible for preparing reports for the public. However, BBI is hindered from providing this required service due to inadequate office space, a clerical procedure that is duplicative and outdated, and a poorly managed filing system. By instituting an automated 3-R reporting system that simplifies the report-generating process, and providing additional working space, service to the public would be improved.

- Section 4.3 - Violation Abatement

The City's violation abatement process involves building and housing inspectors as well as clerical support. Currently, 1,229 cases, or about 71 percent of the total cases, are at least two years old. The inappropriate and non-use of the complaint tracking system, the lack of supervision in code enforcement and other problems has led to the large backlog of both enforcement and abatement cases. By utilizing the complaint tracking system and supervising the adherence to Code-imposed time constraints, the backlog would be reduced and the Code enforcement and abatement process would be improved.

- Section 5.1 - Bureau of Building Inspection Staffing, Revenues, and Expenditures

The Bureau of Building Inspection is not staffed to adequately service all of its existing workloads. By implementing recommendations made in this audit report, which would produce savings of approximately 12 positions that could then be transferred to new functions, and by obtaining budgetary approval to fill 18 new positions, the Bureau would be fully staffed to service its workloads.

- Section 5.2 - Working Conditions

The Department of City Planning and the Bureau of Building Inspection are both located in the City Hall Annex located at 450 McAllister. Working conditions in that building from both safety and efficiency aspects are deplorable. The building is filthy, does not meet Code ventilation or lighting requirements, and individuals in some sections average less than 50 square feet of working area.

- Section 5.3 - Modernizing the System

The Bureau of Building Inspection is burdened with an antiquated operation utilizing labor intensive procedures to process permits and manage inspections. Current computer systems only provide limited capability and are used in a fragmented and inefficient way. By implementing a proposed three-year plan formulated by the Bureau, with the review and approval of the City's Electronic Information Processing Steering Committee, BBI would improve operating efficiency and provide a more accurate system for processing permits and maintaining records on buildings by block and lot throughout the City.

Based upon these findings, our report contains the following recommendations:

In Section 1.1, we recommend that the City Planning Commission:

- Grant requests to take discretionary review of a building permit application only in cases where proposed projects actually meet the test of posing possible serious detrimental effects to the surrounding area.
- Develop and promulgate specific criteria that discretionary review applicants would have to meet in order to have discretionary review requests honored.

We recommend that the Director of Planning:

- Implement the neighborhood planner concept, as recommended in the Budget Analyst's December, 1988, management audit of the Department of City Planning.
- Implement the program outlined in his letter of August 31, 1989, to eliminate the backlog of building permit applications.
- Improve the productivity of staff in the Implementation Division by insuring that non-productive staff time is more closely monitored and better managed.

- Strengthen management in the Implementation Division by implementing the proposed conversion of a Planner V position to that of Deputy Zoning Administrator.
- Evaluate the effectiveness of using temporary staff and paid overtime to eliminate permit processing backlogs for possible application to other backlogged caseloads, should the Department's supplemental budget request for temporary staff and paid overtime be approved.
- Initiate legislation to establish new fees related to violation abatement and to adjust existing fees in order to fully recover the costs of the Implementation Division.

In Section 1.2, we recommend that the City Planning Commission:

- Approve a set of permanent zoning controls for neighborhood development that can be more efficiently implemented, while preserving the values they seek to protect. Specifically, the following provisions should be given consideration in the development of permanent controls.
 - Specific rules for neighborhood development rather than methods that require measuring buildings on adjacent lots and adjacent lot areas.
 - Provisions for reviewing room additions to existing dwellings that are more easily implemented than those currently included in the interim controls.
 - Deletion of minor expansions to residential buildings, such as some house deck projects, from notification requirements.
 - Reducing the notification requirements of proposed projects to adjacent property owners, neighborhood organizations, and to posting information of proposed projects in the Information Office of the Department of City Planning. These measures could provide adequate notification without the burden of creating parcel maps and mailing lists.

We recommend that the Director of Planning:

- Direct the stationing of a planner, capable of determining the acceptability of permit applications for the Department of City Planning's review purposes, in BBI's Counter Services Division.
- Develop and disseminate a set of sample building permit applications for various types of residential alterations to standardize the content and location of essential permit application information.

- Continue the recently implemented procedure of reviewing all residential alteration permit applications upon receipt and immediately approving those permit applications meeting approval criteria.

In Section 1.3, we recommend that the Director of City Planning:

- Implement the recommendations of the Budget Analyst's management audit report of the Department of City Planning dated December 1988. The implementation of those recommendations would assist the Department toward the objective of becoming a full-service organization.
- Develop and submit a FY 1990-91 budget request that would improve the Department's capabilities to that of a full-service planning department, as outlined in the body of this finding. The budget request should be submitted in the form of incremental budget packages with concrete statements of benefits to be achieved, along with cost estimates, and should include the controls that would be used to ensure that the benefits are realized.

In Section 1.4, we recommend that the City Planning Commission and the Director of Planning:

- Implement the recommendations of the Budget Analyst's December, 1988, audit report concerning public information issues.
- Integrate responsibility for records management into the Planning Information Section.
- Inform and continually stress to all members of the Department the importance of polite and efficient service to the public.

In Section 2.1, we recommend that BBI:

- Consolidate the Counter Services Division and the Central Permit Bureau counter-related permit application processes, and delegate to Central Permit Bureau clerical staff the responsibility for providing the initial assistance to applicants and the screening of applications.
- Provide separate "express line" services using clerks for over-the-counter permit applications, and conventional counter service with clerks for applications that require counter-inspector review.
- Reduce the number of daily logs kept by the various clerical and plan checking staff of the Counter Services Division and the Central Permit Bureau. Such logs are not needed given that the same information is on the Permit Tracking System.

- Direct plan checkers and inspectors from the various divisions to log in and out of the Permit Tracking System directly and route the plans and applications to the appropriate review station.

In Section 2.2, we recommend that BBI:

- Provide an updated list that specifies in detail the information that will be required from any applicant for a development project, and make this list readily available to the public.
- Abolish the waiver of the 30-day time limit since BBI is presently able to comply with the law.
- Inform the applicant at the time of filing that they can make a written request to obtain information on pending proposals pursuant to Section 65945.0-65945.5 of the State Government Code.

We recommend that the Department of City Planning

- Use the Case Tracking System to monitor the status of cases subject to Section 65943 of the State Government Code and in accordance with the personnel recommendations in Section 1.1 of this report.

In Section 2.3, we recommend that the Mayor, the Chief Administrative Officer and the Board of Supervisors:

- Implement the necessary actions to consolidate the Department of City Planning and the Bureau of Building Inspection into a Department of City Planning and Community Development.

In Section 2.4, we recommend that the Bureau of Building Inspection:

- Develop a simple control procedure for ensuring that permit applications sent out for microfilming return in complete form for use by the Assessor's Office.
- Furnish a computer printout to the Assessor's Office of permit applications approved that would include the list information described in this report.
- Require all applications to be typed or printed.

We recommend that the Assessor:

- Automatically review all applications reviewed by City Planning and subject to the San Francisco Unified School District Fee.

In Section 3.1, we recommend that the Superintendent, Bureau of Building Inspection:

- Develop a program for implementing a combination inspector program for single and two family residences that includes training, organizational realignments, and testing on a pilot basis.
- Fully implement the combination inspector concept after determining the most efficient operating procedures and verifying cost savings.

In Section 3.2, we recommend that BBI:

- Develop and publish an expanded code of ethics to serve as a guide to expected behavior by employees.
- Develop the expanded code of ethics with consideration given to the input and participation of Bureau employees.

In Section 3.3, we recommend that the Superintendent, Bureau of Building Inspection:

- Implement the use of clerks, instead of inspectors, to schedule building inspections.
- Rotate district inspectors on a daily or other basis within the senior inspector's area of responsibility.
- Require senior inspectors to sign-off on the final inspection of new construction or construction which required a Department of City Planning Notice of Special Restrictions or construction which has been the subject of a City Planning Commission discretionary review case.
- Immediately comply with Section 303(h) of the City's Building Code regarding construction conformance with approved plans to ensure that final construction matches approved plans.
- Implement use of the more detailed inspector evaluation format shown in Appendix F of this report.

In Section 3.4, we recommend that BBI:

- Institute formal plan checking in the Plumbing Inspection Division for construction of larger than single family residences and assess a cost recovery fee for this service.
- Fill one vacant clerical position in the Plumbing Inspection Division to operate the computer, control document flow, prepare reports, and perform other clerical duties.
- Fill one of the vacant Senior Plumbing Inspector positions in the Plumbing Inspection Division and transfer the inspector presently assigned to the office on a permanent basis to field duty. Defer filling the other vacant position until implementation of the proposed new Mechanical Division.

In Section 3.5, we recommend that BBI:

- Require Electrical Inspection Division inspectors to turn in daily appointment schedules each morning and require the Chief Electrical Inspector and two Senior Electrical Inspectors to make job site visits with and without inspectors to evaluate performance and to verify that inspectors are in the field, as reported.
- Immediately implement an automated management information system involving the use of a personal computer.
- Allocate and fill one full-time clerical position in the Electrical Inspection Division from existing vacant authorized positions to operate the personal computer, control document flow, prepare reports, and perform other clerical duties.
- Provide plan checking services as soon as possible and give responsibility to the Chief Electrical Inspector and the two Senior Electrical Inspectors, or other appropriate classifications as determined by the Civil Service Commission, for performing plan checking.

In Section 4.1 we recommend that BBI:

- Implement the proposed inspection program as described in Section 4.1 on Housing Inspection.
- Draft proposed revisions to the Housing Code that would change the periodic inspection requirement from an annual basis to a biennial basis. These revisions should be submitted to the Board of Supervisors for their review and approval.

- Eliminate two Housing Inspector positions in the Housing Inspection Division.
- Develop and implement an improved automated inspection and database system as soon as possible, as outlined in Section 5.3.

In Section 4.2, we recommend that BBI:

- Expedite the planned move of the 3-R Section, which handles the processing of the Reports of Residential Building Records, to the basement of 450 McAllister Street.
- Implement the Bureau's automation plan with respect to the needs of the 3-R Section as soon as possible.

In Section 4.3, we recommend that BBI:

- Resolve the status of the open abatement cases and either reinspect, pursue immediate abatement, terminate the case, or refer individual cases to the City Attorney, as appropriate.
- Utilize the Complaint Tracking System as a mechanism to keep track of the abatement case population and the status of individual cases.
- Enforce Building Code time limits in the abatement process and provide greater supervisory review to ensure enforcement of abatement orders.

In Section 5.1, we recommend that the Superintendent, Bureau of Building Inspection:

- Submit supplementary budget requests to obtain budget authority to fill the professional and clerical positions recommended in this audit report.
- Transfer two professional positions from the Housing Inspection Division to the Investigation and Enforcement Division.
- Closely monitor the behavior of the Bureau's revenues and expenditures and submit a revenue and expenditure report to the Chief Administrative Officer and to the Director of Public Works as soon as possible after obtaining final operating results for FY 1989-90.

In Section 5.2, we recommend that the Director of the Department of Public Works:

- Immediately correct the City Hall Annex safety and health deficiencies noted in the Fire Code and Building Code inspection reports of July 24, 1989.

We recommend that the Director of the Department of Public Works and the Director of Planning:

- Make every effort to ensure that the maintenance and upkeep of the City Hall Annex (450 McAllister Street) is accomplished in as satisfactory a manner as possible, given the extreme limitations of the existing site.

We recommend that the Chief Administrative Officer:

- Expedite the execution of the Civic Center Plan concerning the construction of a new City Hall Annex.

In Section 5.3, we recommend that the Bureau of Building Inspection:

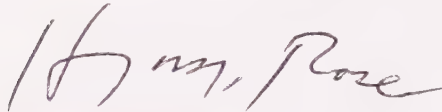
- Submit its three-year automation plan as soon as possible to the City's Electronic Information Processing Steering Committee (EIPSC) for review and approval and address, as part of the plan, the concerns described in this Section.
- Upon the review and recommendations of the EIPSC, BBI should implement its automation plan as soon as possible.
- Fully coordinate its automation plan with the City's new automated Property System.

We recommend that EIPSC:

- Provide whatever assistance is necessary in order to develop a viable automation plan for BBI as soon as possible.

Throughout the course of this management audit, we received the cooperation of the Director of Planning, the Superintendent of Building Inspection and the Bureau of Building Inspection staff, as well as individual staff from the Fire Department, the Health Department, the Information Services Division in the Controller's Office, and the Assessor's Office.

Respectfully submitted,



Harvey M. Rose
Budget Analyst

Staff: Stanton W. Jones, Project Manager
Fred Brousseau
William Courtright
Newton Mitzman
Neal Taniguchi

cc: Supervisor Alioto
Supervisor Gonzalez
Supervisor Hallinan
Supervisor Hongisto
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Supervisor Nelder
Supervisor Ward
Supervisor Walker
Clerk of the Board
City Attorney
Chief Administrative Officer
Controller
Carol Wilkins
Ted Lakey
Dean Macris, Director of Planning
Richard Evans, Director of Public Works
Lawrence Litchfield, Superintendent, Bureau of Building Inspection
Brad Paul, Deputy Mayor, Housing and Neighborhoods
Samuel Duca, Assessor
Frederick F. Postel, Chief, Fire Department
Dr. David Werdergar, Director of Health
Planning Commission
Fire Commission
Health Commission

BOARD OF SUPERVISORS
BUDGET ANALYST

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INTRODUCTION

Background

At the request of the San Francisco Board of Supervisors, the Budget Analyst has audited the performance of the City's construction permit processing system. The purpose of the construction permit processing system is to assure that what is built, altered, demolished, excavated, or maintained is performed in accordance with the City's Building, Mechanical, Electrical, Plumbing, Housing, Planning, Subdivision, Fire, and Health Codes. The major emphasis of this report is on the effectiveness and efficiency of the City's system for issuing construction permits and insuring the structural safety and conformity of the actual construction to the plans. The objectives and activities of BBI are also be assessed. The Department of Public Works' Bureau of Building Inspection (BBI) has the largest role in the system: it administers five of the nine Codes cited above and is the organization that actually issues construction or construction-related permits, without which construction-related activities cannot legally occur. The Fire Department reviews major projects and the Department of Public Health reviews building permit applications for uses such as swimming pools, food establishments, and laundries.

The Department of City Planning has a major role in the process of obtaining building permits. For major projects and for controversial projects, of which there are an abundance, the Department of City Planning is very often the final arbiter in the permit process. The authority and responsibility of the Planning Commission as relates to construction permits are derived from the City Charter, as quoted below:

Section 7.500 Approval of Permits and Licenses

No permit or license that is dependent on or affected by the zoning, set-back or other ordinances of the city and county administered by the city planning commission, shall be issued except on the prior approval of the city planning commission.

The Department of City Planning administers a number of application processes which, though not sufficient to commence any construction, are necessary prior to obtaining a building permit for many building projects. Examples of these Planning Code authorizations are conditional use permits and variances. These processes, which precede and are necessary first steps for many building permits, are addressed in this report.

The City's system for obtaining building permits has attracted much controversy. The controversy stems from the various interests and objectives of those involved in the permit processes as developer, neighbor, or advocate for various causes. Most builders and developers are concerned primarily with system efficiency: their interest is in seeing that applications conforming to the various Codes are processed as expeditiously as possible. Others, with concerns as varied as environmental protection, architectural design, availability of parking, or conversion to illegal uses, demand permit approval procedures that provide for extensive public disclosure of intended construction, with time periods reserved for any objections. Devising a system that would satisfy the competing objectives and interests is a difficult task.

Organization and Responsibilities

As stated above, the agencies regularly involved in building permit processing are BBI, City Planning, the Fire Department, and the Health Department. However, unlike City Planning, the Fire Department, and the Health Department, BBI's main responsibility is concerned with the issuance of building and related permits and the follow-up inspections of the work resulting from such permits.

BBI is organized into four units, three operational and one primarily administrative, as shown in Exhibit 1.

The Permit Processing and Issuance Division is composed of three sections and is responsible for screening all permit applications for completeness and accuracy prior to acceptance, for reviewing applications and plans for conformance with applicable codes, for routing applications and plans for required reviews to the Department of City Planning or the Fire Department, and for handling the administrative functions of the process, such as collecting fees.

The Construction Inspection Unit is composed of four sections and is responsible for inspecting building, electrical, and plumbing work to insure compliance with applicable codes and for the abatement of code violations.

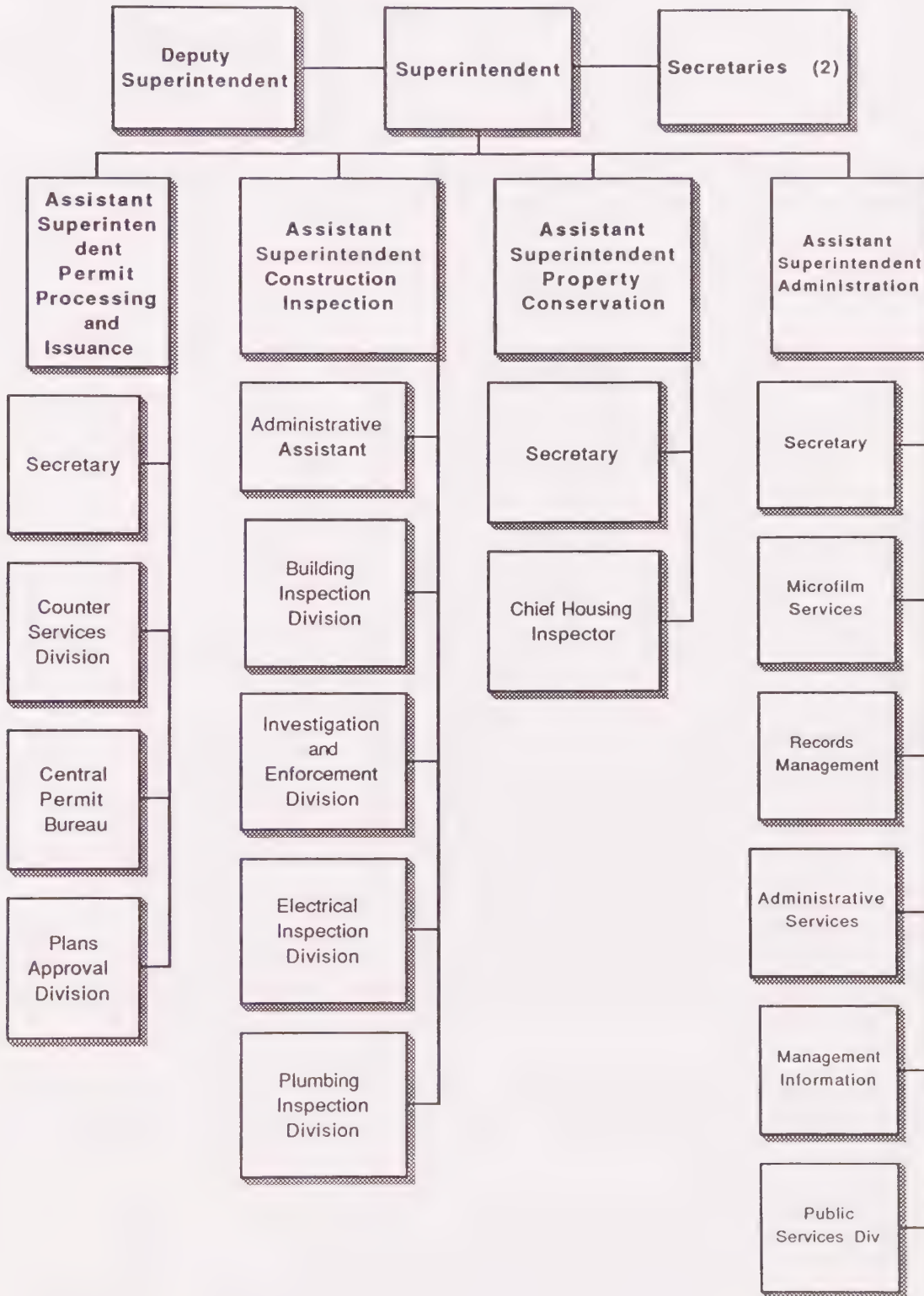
The Property Conservation Unit is responsible for inspecting existing hotels and apartment buildings for compliance with State and local health and safety codes. This Division also is responsible for the administrative aspects of Building Code violation cases that have proceeded into abatement.¹

In addition to being responsible for the administrative functioning of the Bureau, the Administrative Division is also responsible for producing the Report of Residential Record, or "3-R" Report, that provides a description of a residence's history and condition as documented by the Bureau of Building Inspection.

¹Abatement is the term used to designate a Building Code violation case that has proceeded from informal procedures to correct the problem, such as the Superintendent's Hearing, to the Director's Hearing or to the City Attorney or District Attorney for disposition.

Exhibit 1

**Bureau of Building Inspection
Organizational Chart**



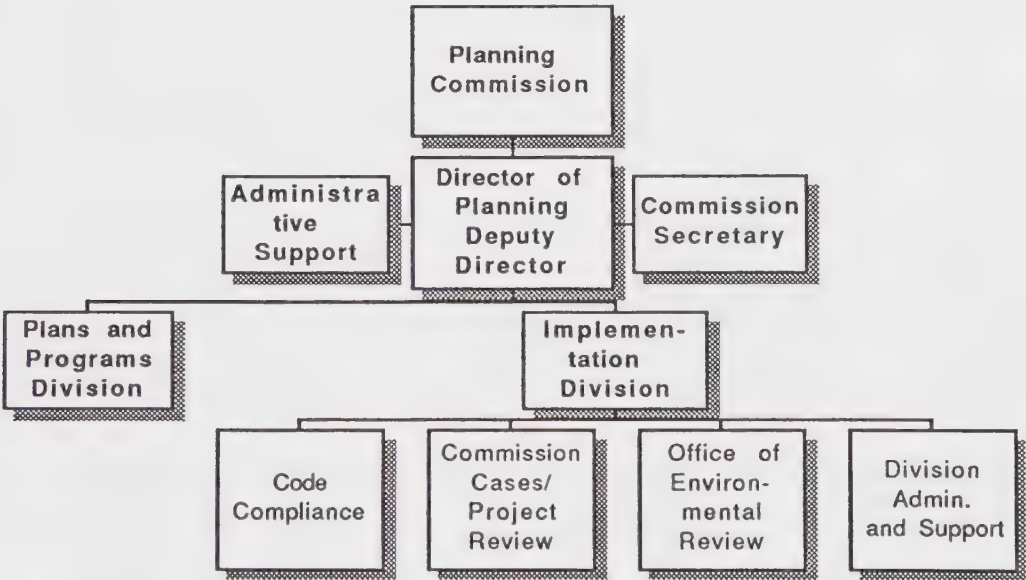
The Administrative Division is also responsible for the Bureau's Permit Tracking computer system and other computer systems.

BBI's personnel authorization in the FY 1988-89 budget was for 204 positions. As of June 30, 1989, 170 of these positions were filled, 10 were in the process of being filled, 10 were held open for salary savings, and 14 were vacant. The Bureau is authorized 216 positions in the FY 1989-90 budget.

The Department of City Planning is organized as shown below. The Department's Implementation Division, managed by the Zoning Administrator, is responsible for the review of building permits.

Exhibit 2

**Department of City Planning
Organizational Chart**

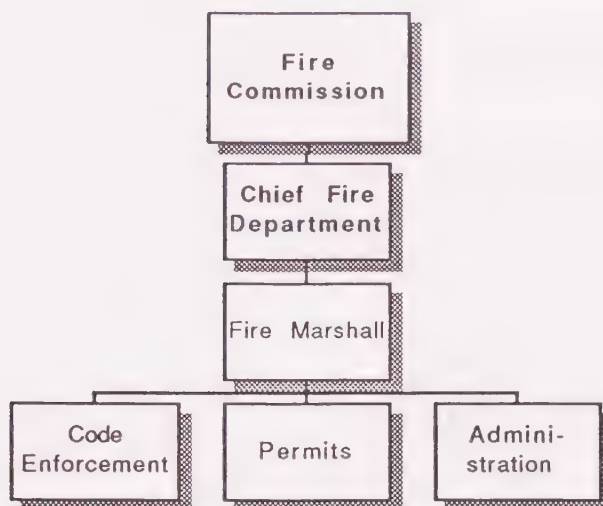


As of July 15, 1989, the Department had a total of 7.3 FTE positions assigned to building permit processing of a total 60 FTE budgeted positions in the Implementation Division, including the Office of Environmental Review.

The Fire Department's organization, as relates to permit processing, is shown on the next page.

Exhibit 3

Fire Department Organizational Chart



The Fire Department has funded 7 FTE positions in its FY 1989-90 budget directly related to construction permit processing. As of July 15, 1989, the Department had a total of 7 funded FTE positions assigned to permit processing.

The organization of the Health Department as relates to permit processing is as shown on the following page.

The Health Department has 4 FTE positions in its FY 1989-90 budget directly related to construction permit processing. As of July 15, 1989, the Department had a total of 4 FTE positions assigned to permit processing.

Departmental Missions as relates to Construction Permit Processing

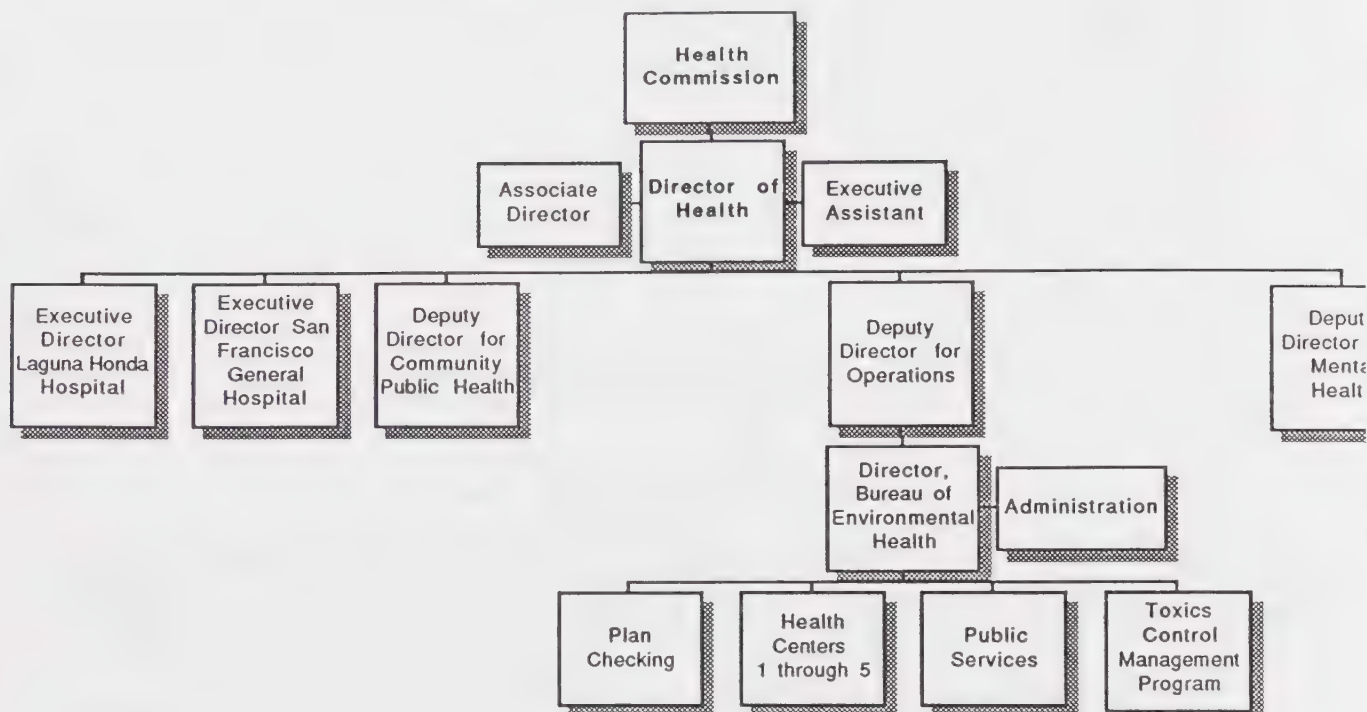
The mission of the Department of City Planning as relates to building permit processing is to ensure that all proposed construction, demolition, signage, and uses are in conformance with the land use and other provisions of the Planning Code and to ensure that design and environmental factors are in accordance with all applicable laws and policies.

The mission of the Fire Department related to building permit processing is to ensure that the provisions of Titles 19 and 24, California Code of Regulations, as they relate to use, alteration, or construction, are adhered to.

The mission of the Health Department related to building permit processing is to insure that those uses that come under the purview of the Health Department, such as swimming pools or restaurants, are done so in accordance with the provisions of the Health Code. The Health Department's organization, as relates to permit processing, is shown on the next page.

Exhibit 4

Health Department Organizational Chart



The mission of the Bureau of Building Inspection is to safeguard life and limb, health, property, public welfare and public safety through the implementation and enforcement of local, state, and federal laws and regulations concerning the design, construction, quality of materials, use and occupancy, location, and maintenance of buildings and structures within the City of San Francisco. The Bureau's mission is accomplished through the following activities:

1. Plan review and permit issuance to assure that proposed construction work meets minimum code requirements.
2. Field inspections to assure that construction follows the approved plans and code requirements.
3. Inspection of existing multiple-unit structures for compliance with the Housing Code.
4. Processing cases of non-compliance with Building Code and Housing Code requirements through an abatement program.
5. Providing consistent code interpretation and application to the public.

6. Educating the public on building safety requirements and building permit and construction inspection processes.
7. Investigating complaints concerning construction, safety, and property use issues.
8. Working with other organizations having involvement or interest in code enforcement to improve existing codes and standards.

The Bureau of Building Inspection has compiled a descriptive listing of 59 specific state and local mandates that stem from the activities cited above. Examples of these mandates are the Heat Survey, the Parapet Program, and the Gas Station Conversion Ordinance. A complete listing of the mandates is shown in Appendix B.

Methodology

The following procedures were used in the conduct of this report:

Review of the 1978 Touche-Ross management audit of the City's permit processing system and the Budget Analyst's update of that Report in June, 1982.

Review of the provisions of the Building and Mechanical Code, the Electrical Code, the Plumbing Code, the Housing Code, the Fire Code, and the Planning Code.

Review of the policies and procedures of the various departments involved in the permit approval and construction inspection system.

Interviews with managers and operating personnel of all departments involved in the permit approval and construction inspection system.

Interviews with building permit applicants.

Interviews with Commissioners.

Inspection site visits with field inspectors.

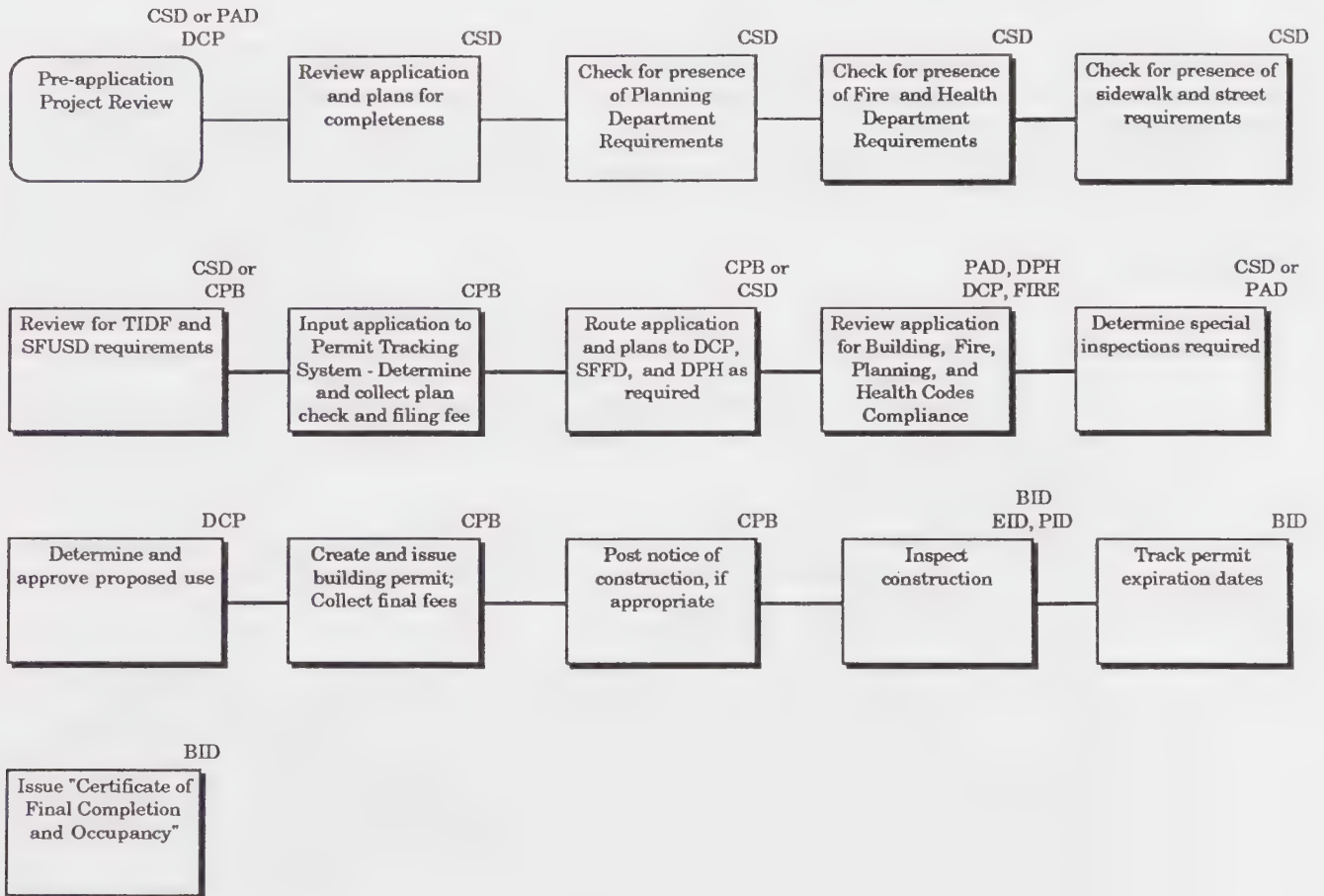
Review of statistical data contained in the Permit Tracking System.

Building Permit Approval and Construction Inspection Flowchart

The review process for approval of a building permit application and the subsequent construction inspection and certification may involve several City departments. The flowchart on the following page illustrates the building permit application approval and construction inspection process.

Exhibit 5

BUILDING PERMIT PROCESSING: SYSTEM FLOWCHART



Legend

BBI (Bureau of Building Inspection)
 DCP (Department of City Planning)
 DPH (Department of Public Health)
 SFFD (Fire Department)
 TIDF (Transit Impact Development Fee)
 SFUSD (San Francisco Unified School District)
 BBI Organizations:
 CPB (Central Permit Bureau)
 CSD (Counter Services Division)
 PAD (Plans Approval Division)
 BID (Building Inspection Division)
 EID (Electrical Inspection Division)
 PID (Plumbing Inspection Division)

Acknowledgments

Our efforts were assisted by the active cooperation of literally every manager in the Bureau of Building Inspection as well as by every staffmember with whom we came in contact in that organization, the active cooperation of the Fire Department, especially Assistant Chief Joseph Medina and Captain Charles Farrell, the active cooperation of Department of Public Health, especially Mr. Ben Gale, and the active cooperation of the Assessor's Office, especially Mr. John Zimmer. Some of the management of the Department of City Planning was less than cooperative, initially. However, after discussions with Mr. Dean Macris, Director of Planning, Departmental personnel were very cooperative. Mr. Macris was cooperative and accessible throughout the management audit.

PREFACE TO THE PERMIT PROCESSING MANAGEMENT AUDIT

This preface, in the form of a project development case study, is included to serve as an overview of the City's building permit processing system. All important steps in the process up to the issuance of the building permit are included. Acquaintance with the information in this preface will facilitate understanding the management audit report findings.

Obtaining A Building Permit - A Case Study

Mr. John Smith and his family are the owners of a single family dwelling, located in the Sunset District. It is a two bedroom home with a full basement and a one-car garage at ground level. The house is of typical Sunset District architecture. The houses on both sides of the street are of similar architecture: one-story over garage. The zoning is RH-2.

The Smith family has grown in the past few years. They now have three children and, although the Smiths very much like their home, they have outgrown its existing capacity. The Smith's decide that they need additional space and, given current prices of four bedroom homes in the City, opt to enlarge their current residence. The Smiths decide to add two bedrooms and a bath and also to construct a studio dwelling unit in their basement to rent out to help pay for the addition. (As mandated in the Planning Code, this decision has the effect of changing the "use" of the property).

At this point, the Smiths contact an architect with an excellent reputation. The architect, Ms. Lee, provides the Smiths with an estimate for the construction work to be accomplished, including the electrical and plumbing work required. The estimate for the construction work is \$80,000. The Smiths decide to proceed.

The next day, Mr. Smith takes time off from his job to visit the Department of City Planning to obtain information concerning his project. After a period of time, Mr. Smith is seen by a Department planner. Mr. Smith informs the planner of his intended construction work, shows the planner a sketch of his plans, and asks what the requirements are to get the proposed work approved. The planner checks the Department's block books, verifies the RH-2 zoning, and observes that there are no special restrictions noted in the block book for the property. The planner informs Mr. Smith that he must submit Planning Code Section 101.1 (Proposition M) findings to the Department, because of the change in use, and provides him with a form listing the required eight findings. The planner informs Mr. Smith that the proposed additional unit in his basement will require additional off-street parking, explains the salient provisions of the Neighborhood Conservation Interim Controls (NCIC), and explains that the proposed extension will probably result in the construction being classified as a Tier 2 project for notification and review purposes under NCIC. The planner

further explains that NCIC projects require pre-notification of the intended work to residences and owners of residences adjoining the residence on the side and rear property lines and for the Smiths specific project, to the five houses across the street, provides Mr. Smith with information on design guidelines, expectations regarding finish materials, and an explanation of the discretionary review process. Mr. Smith is provided an application packet for projects subject to the NCIC that includes the Proposition M requirements, a pre-application notification form on which to record details of the project and an affidavit which the Department of City Planning requires to affirm that the required notifications have been made, etc. Mr. Smith is told that the following items will be required with the submission of his application:

Pre-application notice.

Signed affidavit affirming accomplishment of the pre-application requirement and a list of addresses.

A site plan that includes the adjacent properties.

Elevations, including those of the adjoining properties.

Photographs showing a panorama of the street, street-front facades on both sides, and a rear view of the adjacent buildings.

Floor plans showing the proposed work and, preferably, the existing structure.

Mr. Smith asks how long it will take to obtain a permit for the project and is informed that the City Planning portion of the application review cycle would take approximately twelve to fourteen weeks, assuming all required information is initially provided. Mr. Smith inquires as to why such a lengthy period is necessary and is informed that the Department has a backlog of approximately six to eight weeks before an application of his type can be initially reviewed and that the Tier 2 rules of the Neighborhood Conservation Interim Controls include a thirty day waiting period after performing the required notifications. Mr. Smith returns to work and that evening informs his family that their plans are going to take a longer period to realize than they had anticipated.

The Smiths are intrigued by the Tier System and read the definitions, as cited below, from the materials provided in their application packet.

Tier I covers applications where proposed development is less than or equal to the average size of the existing adjacent buildings. (See Section 503(b) of the ordinance for the definition of "adjacent"). The pre-application notice described above is required. However, because these projects would potentially impact only the immediate neighbors, notice to the larger neighborhood (required for Tier 2 and Tier 3 projects) is not required. The Department has the authority to require minor changes to the proposal to deal principally with

problems of light and air to adjacent properties. In addition, the project would be reviewed for compliance with the Residential Design Guidelines.

Tier 2 covers applications where the proposed development is up to 10 feet higher than the average of the buildings adjacent to the project site and/or the depth of the building exceeds the average of adjacent buildings, up to certain specified limits (see Sec. 505(b)(2) of the ordinance).

Tier 3 covers applications that propose to build up to the limits of the current Planning Code. Tier 3 projects require approval by the City Planning Commission. A public hearing must be held for all Tier 3 projects and the proposal can only be approved if the Commission finds it is in compliance with the criteria on the application form. Notice is the same as that required for Tier 2 projects. Once a building permit application is filed, an application for a Tier 3 exception should be filed with the Department.

A few days pass during which Mr. Smith accomplishes the pre-application notification and the architect drafts the required plans. Mr. Smith decides to apply for a **Site Permit**: this procedure, which until very recently was available only to large projects estimated to cost at least \$2.5 million, requires that conceptual plot plans be filed with the application but negates having to submit a set of detailed structural drawings at that time. The architect has informed Mr. Smith that extra costs may be incurred if the City Planning Department's review results in design changes that require revised drawings .

Ten days later, and after answering a number of questions from neighbors inquiring about his proposed project, Mr. Smith takes his application to the Bureau of Building Inspection (BBI) counter. He takes a customer number and after a few minutes is called to the counter. A counter inspector assigned to the Counter Services Division (CSD) of BBI checks his site permit application, plans, pre-notification affidavit and other required items. Mr. Smith is told that all of his information seems to be in order. Mr. Smith is told by the counter inspector that eventually he will also need plumbing and electrical permits, but that in most cases those permits are obtained by the contractor performing the work. Mr. Smith won't be required to provide electrical or plumbing plans because such plans are not currently required in San Francisco. Mr. Smith asks the counter inspector how many building inspections will be required and is informed that for his project there would probably be four inspections: (1) pre-start, (2) foundation, (3) framing, and (4) final.

The counter inspector hands Mr. Smith a San Francisco Unified School District (SFUSD) form and instructs him to fill out the top portion. Mr. Smith is informed that the SFUSD payment is State-mandated, is required for all additions of habitable space, and that the fee must be paid prior to obtaining the building permit. Mr. Smith is instructed to proceed to the Central Permit Bureau (CPB) section of the counter, where he will pay his initial fees.

CPB is responsible for calculating and collecting fees for a host of Department of Public Works fees and for performing numerous other administrative functions. In addition to building, electrical, and plumbing fees, CPB collects such fees as site mitigation plan check fees, new-address fees, garage door fees, and curb cut fees.

Mr. Smith moves to the CPB counter line and soon proceeds to a counter station. The CPB clerk takes his application, plans, and other paperwork. Mr. Smith is a little perplexed that the clerk gives the application a thorough perusal: didn't the counter inspector just do that? The clerk completes the bottom portion of the SFUSD form and manually calculates Mr. Smith's initial fees. Based on the estimated construction value of \$80,000, as noted on the permit application, Mr. Smith's fees are as follows:

Site Permit Fee	\$100.00
Application Filing Fee	21.13
City Planning Plan Check Fee	150.00
BBI Plan Check Fee	<u>382.53</u>
Total	\$653.66

Later, when Mr. Smith picks up the building permit, he will pay the following fees:

Permit Fee	\$743.92
Structural Notice Fee	13.00
SMIP Fee ¹	8.00
Change of Use Fee	<u>19.25</u>
Total	\$784.17

Mr. Smith pays his initial fees and departs.

Later, a CPB clerk will input information from Mr. Smith's application to a computer system entitled the Permit Tracking System. A record is thereby created for Mr. Smith's project. The Permit Tracking System actually calculates the fees associated with the Smiths' project, determines the routing for the application, and serves as a constant source of information as to the status and location of the application. Had BBI sufficient computer terminals and the Permit Tracking System a faster response time, the clerk could have input the information while querying Mr. Smith. The CPB clerk, observing the computer-generated routing for the application, places the application and plans in a bin reserved for delivery of those items to the Department of City Planning.

Later that day, a person from CPB delivers the applications and plans from the BBI bin and takes them upstairs to the Implementation Division on the fifth floor of the building. There, a logbook record is created for each new application and the Permit Tracking System is updated to show that City Planning is in receipt of the application and plans. In addition, a Building

¹SMIP fees go to the State for earthquake studies.

Permit Ledger Card or "green sheet" is created for each application with applicable information from the Planning Department's "block books," such as the zoning district, lot dimensions, case histories (conditional uses, variances, notices of special restrictions, etc.) and whether there are requests from interested parties for notification of intended construction. If necessary, a planner will check BBI's Report of Residential Record to ensure that the stated current use on the application is the legal use. The planner will also check the Code Enforcement File to determine whether there are existing complaints or violations recorded against the property. The application is then placed in a bin where it will await review by a City Planning plan-checker. The wait for the type of construction herein described is currently approximately seven weeks.

Time passes and after approximately eight weeks a City Planning plan-checker retrieves the Smiths' application from the bin and makes a review of the case. This review includes a design review, a check of the pre-application affidavit, and a review of the sufficiency of the various plans, availability of required photographs, etc. The plan-checker notes that a required elevation drawing, showing the elevations of the adjacent structures, is not with the application. The plan checker also suspects that the Smiths' property may be in the Coastal Zone, but by checking the coastal map determines that it is not. Had the property been in the Coastal Zone, further approvals for the proposed project would have been required. The plan-checker notes the missing drawing on the "green sheet." The "green sheet" is attached to the drawings and placed in a secretary's work bin. The secretary types a letter to the Smiths based on the green sheet's comments and attaches a copy of the letter to the drawings. A letter is sent to Mr. Smith notifying him of the required elevation plot. The application and accompanying data are then placed in a "hold" bin and an entry is made in the Permit Tracking System to that effect.

A few days later, the Smiths receive the letter from City Planning notifying them of the missing information. Mr Smith obtains the required drawings from the architect, Ms. Lee, and submits them to BBI. The CPB clerk logs the elevation drawing into the Permit Tracking System as a revision to the original application. The elevation drawing is then routed to City Planning.

A City Planning clerk places the revision on the desk of the original plan-checker and the review of the project is continued. That review reveals that the project appears to meet the design guideline requirements and all Planning Code provisions. Mr. Smith is notified in writing to comply with the provisions of the Department's Neighborhood Conservation Interim Controls and that his project is classified as a Tier 2 project for purposes of those controls.

Mr. Smith then proceeds to comply with the Tier 2 provisions as shown in Appendix C, Permit Process Flow Chart, which includes mailing a reduced 8-1/2" x 11" set of plans to all addresses in the notification area. The significant Tier 2 steps are: 1) submittal of a parcel map and address list; 2) the notification mailing; and 3) a thirty day waiting to determine if there are any objections to the Smiths' proposed project.

Approximately two weeks after performing the notification mailing, the Smiths receive a form letter from the Department of City Planning. An intervening event has severely impacted on their proposed project. Ms. Brown, the absentee owner of a house across the street and down the block has filed an application, accompanied with a \$50 fee, requesting that the City Planning Commission take discretionary review (DR) of the Smiths' project. The Smiths are astonished and saddened, their direst fears realized!

The Smiths review the discretionary review form letter, determine that the case is tentatively scheduled to be heard by the Planning Commission on August 25, 1989, and read the information detailing the process. The information states that the "authority for the exercise of discretionary review is 'a sensitive discretion... which must be exercised with the utmost restraint' to permit the Commission 'to deal in a special manner with exceptional cases'" (emphasis added). They wonder what might be exceptional about their proposed project. The discretionary review hearing will add approximately eight weeks to the process of obtaining a building permit.

Contained in the discretionary review notification is a copy of Ms. Brown's discretionary review application. The Smiths note that the stated reasons for requesting discretionary review are that the proposed extension is out of character with the existing neighborhood pattern, and that the additional dwelling unit will exacerbate the existing parking problem.

The Smiths note that they are urged to meet with the discretionary review requestor and other concerned parties to try to resolve concerns which brought the case to discretionary review. They also note that they are to submit a "Response to the Discretionary Review Request" to the Department of City Planning two weeks prior to the tentative hearing date and that they are to provide 12 reduced 8 1/2" x 14" copies of plans to the Department ten days prior to the hearing date.²

The next day, Ms. Smith calls Ms. Brown, who is now living in Arizona, and determines that Ms. Brown's real concern is the effect of the vertical extension on the views from her property. Ms. Smiths asks Ms. Brown what limits on the extension would make the project acceptable to her. She quickly discerns that Ms. Brown wants no extension whatsoever, as each increment would detract from the view from across the street. That evening the Smiths begin preparing their defense.

²The Smiths are fortunate to live in the Sunset District, from a discretionary review standpoint. Discretionary review requests in the Richmond/Sunset Special District are normally scheduled for a hearing within approximately seven or eight weeks of the DR being submitted. The wait for areas outside of the Richmond/Sunset District is approximately five months after receipt of the DR request. This situation is due to an imbalance in DR workloads (as opposed to total workloads) between the two planners handling DR cases.

Sample Planning Commission Calendar

NOTICE OF MEETING
AND CALENDAR
OF THE SAN FRANCISCO
CITY PLANNING COMMISSION
REGULAR MEETING
THURSDAY
AUGUST 24, 1989
ROOM 282, CITY HALL
1:30 P.M.

F. REGULAR CALENDAR

The case is called.

89.xxxD (Sample Case Number) (Nixon)
320 Smith Street, west side between 26th and 27th Avenues in Assessor's Block
xxxx - Request for Discretionary Review of Building Permit Application No.
89xxxxx for a Rear Yard Extension and addition of one dwelling unit to a one-
story-over-garage single family structure in an RH-2 (House, Two-Family)
district.

- (a) Consideration of Discretionary Review*
- (b) Discretionary Review hearing*

A member of the Zoning Administrator's Implementation staff rises, proceeds to the podium, and over the microphone gives a brief description of the project issues and concerns.

Next a representative of Ms. Brown, a planning consultant, presents the concerns about the proposed construction and how it will affect the property of those in the neighborhood. The Smiths are surprised to hear that an extension into the rear yard of approximately half that they are proposing, would be acceptable to Ms. Brown.

There are no other presentations supporting the discretionary review request.

At this point, the Smiths are very happy that they have decided to hire their own planning consultant to make their presentation. They confer with her very quickly, instructing her to concede nothing (but to do so in a gentle manner). The consultant makes an excellent presentation, carefully explaining why the reduction cannot reasonably be accommodated.

The Zoning Administrator's staff person rises again and after a brief statement presents the Department's recommendation - Do not take discretionary review of the case. Nevertheless, the Planning Commission votes to exercise its authority of discretionary review.

The Smith's planning consultant then rises and proceeds to the podium with photographs and drawings in hand. In her presentation to the Planning Commission, which is not to exceed 20 minutes, she carefully explains the Smiths' extension plans in detail, emphasizing that although the project's extension into the rear yard is greater than the average of the adjoining properties, the extension does not go beyond the existing rear wall of one of the adjoining properties. The planning consultant informs the Commission as to exactly why the Smiths need the additional space that they are requesting.

Ms. Brown's planning consultant then rises and proceeds to the podium with photographs and drawings. Her presentation centers on parking congestion and conformance with existing neighborhood character until the photographs showing the wonderful views from Ms. Brown's property appear. The emphasis is then on how a reduction to the proposed extension would be in order.

That presentation completed, the case is placed in the hands of the Planning Commission. One Commission member moves to support the recommendation of the Department to approve the application. A vote is taken. By a margin of five to two the Planning Commission votes to approve the Smith's application, as submitted. The Smiths rejoice.

The City Planning Department plan-checker makes copies of the Tier 2 affidavit and the Proposition M findings and files them in the Implementation Division's Historical file.³ The application package is then routed to the Plans Approval Division (PAD) of BBI and so annotated in the Permit Tracking System. PAD logs in the application and it is placed in a backlog file for assignment to and review by a PAD review engineer.

The Smiths' project is assigned to a PAD engineer approximately five days after being logged in. The engineer actually begins his review five days later. The Smiths' application at this point is for a Site Permit (as discussed in the beginning of this case), and is reviewed by the PAD engineer as such. The engineer discovers a major Building Code violation in the Smiths' plans and notes it on a Plan Review Comment sheet, which is then mailed to the Smiths' architect, Ms. Lee. Ms. Lee makes the required revisions and calls the reviewing engineer to request an appointment to review the plans with the engineer. Ms. Lee submits the plans to the CSD counter for log-in as a revision and delivery direct to the PAD reviewing engineer. The engineer meets with Ms. Lee and they review the revisions together. The revisions are judged to be correct and the engineer approves the Site Permit application.

The Site Permit application approval is then noted in the Permit Tracking System and the application package is routed to CPB for issuance of the Site Permit. CPB notifies the Smiths by mail that the Site Permit is ready and Mr.

³The plan-checker also extracts information from the application in order to provide information into the Tier System Study ongoing at the Department.

Smith comes to obtain the Site Permit. However, construction cannot commence. Site Permits do not approve construction; only an approved Addendum will allow construction.

With the Site Permit being issued Ms. Lee files, by letter, one Addendum, which is all that may be submitted for projects valued at less than \$350,000, and which includes structural drawings and calculations, along with drawings and documents illustrating energy code compliance, and more detailed architectural drawings. For energy compliance, it is necessary to submit State Energy Commission Forms CF-IR (pages 1 and 2), Form MF-IR, and Special Package "A" for windows to show that the new windows do not exceed 16 percent of the floor area of the added floor space.

Ms. Lee submits the necessary document to the CSD and it is logged into the Permit Tracking System as Addendum No. 1-Final. CSD then sends the documents to PAD along with the previously approved set of Site Permit drawings. The addendum package is considered the same as a building permit application and is assigned to the same reviewing engineer who reviewed the Site Permit package. The reviewing engineer places the package on the priority list and ten days later begins his review. The reviewing engineer reviews the architectural drawings and compares them to the Site Permit to assure that there were no changes that affect the building envelope. The same engineer also reviews the structural drawings and structural calculations. An item is noticed that requires additional information, a notation is entered on the Plan Review Comment list, and a copy is mailed to Ms. Lee. (If the item is minor, the engineer would call Ms. Lee to inform her of the problem). Because the valuation is less than \$100,000, Ms. Lee has 60 days to submit the revision. In this case, Ms. Lee and her engineer are able to respond in 10 days and the PAD engineer is able to approve the project and sign the permit.

The package is delivered to the Mechanical Engineer to review the Energy Conservation package. While awaiting Ms. Lee's response, the reviewing engineer who had performed the structural plan check noted that the correct documents had been included in the mechanical package and had routed the package to the mechanical engineer for action. During that 10-day wait period, the mechanical engineer reviewed and approved the Energy Compliance package and the package was waiting with the mechanical engineers approval. The revised architectural and structural portions of the package are brought to the CSD and logged in as revisions and are hand-delivered to PAD by Ms. Lee. The reviewing engineer reviews the revisions with Ms. Lee and approves them. The addendum package is assembled and the approvals are logged into the tracking system with the package routed to City Planning for a final review.

The addendum package is routed to the same plan-checker in City Planning who had reviewed the preliminary plans and supporting documents. The plan-checker reviews the detailed plans to ensure that they are in accordance with previous approvals, logs the application out, and routes the application to the Counter Services Division of BBI.

Mr. Smith is then notified that his application has been checked and that all is in order. He is further informed that upon providing proof of his SFUSD fee payment he will be able to obtain his building permit. The SFUSD requirement specifies that any addition of habitable space be assessed at the rate of \$1.50 per square foot.

Mr. Smith returns to BBI where a final calculation of the fee based on the plan checker's assessment of the value of the proposed construction is made. Mr. Smith pays the remainder of his fees due and is informed that interested parties may file appeals to the proposed construction with the Board of Permit Appeals during the next 15 days.

Later that day, a CPB clerk mails letters to the owners of property who share a common property line with the Smiths. Another CPB staff person posts a 14" x 8.5" notice on the Smiths' residence. This requirement was brought about by the change in use from a single-family residence to a two-family dwelling.

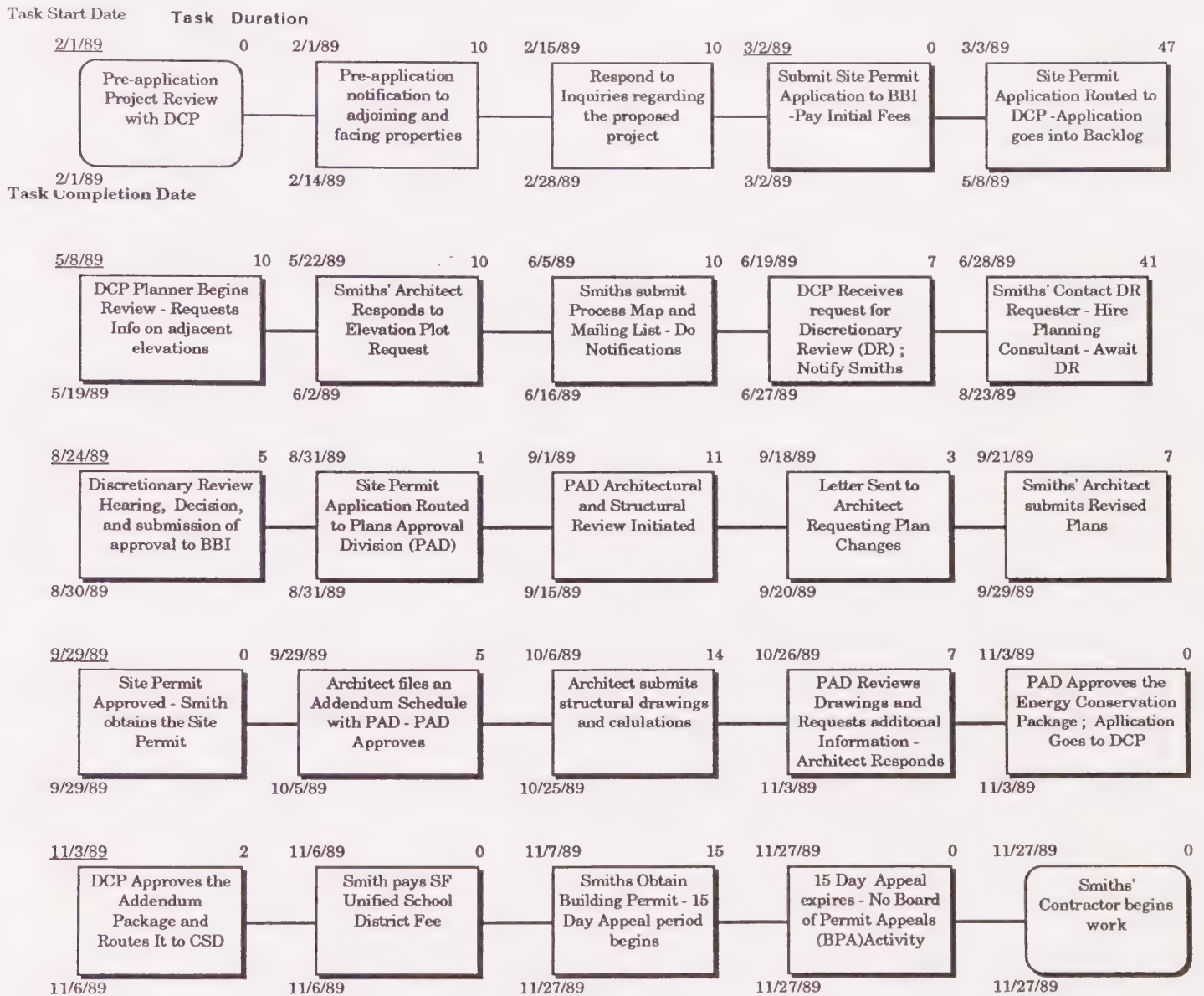
The 15-day appeals period elapses without incident. Had Ms. Brown or anyone else filed an appeal during the 15-day appeal period, the Board of Permit Appeals would have scheduled a hearing on the project. This would have resulted in a final review of the project and would have required a minimum of four out of five votes to overturn the Planning Commission's approval of the project.

The Smiths finally begin construction, nine months and 27 days after mailing the pre-application notification to adjoining and facing property owners.

A flowchart diagram displaying the highlights of the building permit process the Smiths traversed is shown on the next page.

OVERVIEW FLOWCHART

THE SMITHS' BUILDING PROJECT



Abbreviations

BBI: Bureau of Building Inspection
 CSD: Counter Services Division
 CPB: Central Permit Bureau
 PAD: Plans Approval Division
 DCP: Department of City Planning

Fees Paid

Site Permit Fee	\$100.00
Application Filing Fee	21.23
City Planning Plan Check Fee	150.00
BBI Plan Check Fee	382.53
Building Permit Fee	743.92
Structural Notice Fee	13.00
SMIP* Fee	8.00
Change of Use Fee	19.25
Total	\$1,437.83

Processing Time

BBI	47 Work Days
DCP	153 Work Days
BPA	15 Work Days
Total	215 Work Days

*Strong Motion Instrumentation Program

**SECTION 1.1: DEPARTMENT OF CITY
PLANNING; IMPLEMENTATION DIVISION
FUNCTIONS, WORKLOADS, AND STAFFING**

THE IMPLEMENTATION DIVISION OF THE DEPARTMENT OF CITY PLANNING IS NOT STAFFED TO ADEQUATELY SERVICE ITS CURRENT WORKLOADS. THE DIVISION REQUIRES ADDITIONAL PERMANENT STAFF TO SERVICE CURRENT PERMIT PROCESSING AND OTHER CASELOADS AND TEMPORARY ASSISTANCE TO ELIMINATE BACKLOGGED CASELOADS. YET, THE AVERAGE EXISTING DIVISION STAFF MEMBER TOOK 15.3 DAYS OF SICK TIME AND 9.4 DAYS OF COMPENSATORY TIME OFF IN FY 1988-89, IN ADDITION TO 13 DAYS OF VACATION AND 13 PAID HOLIDAYS, FOR A TOTAL NON-PRODUCTIVE TIME AVERAGE OF 50.7 DAYS OFF, OR 10.1 WEEKS OFF. THE DIVISION NEEDS BETTER MANAGEMENT OF THE WORK HOURS OF DIVISIONAL STAFF MEMBERS TO ENHANCE PRODUCTIVITY.

The Implementation Division, Department of City Planning, is responsible for implementing the Planning Code, as adopted by the Planning Commission. All of the activities of this Division are ongoing and involve applying zoning and other rules to the approval of specific land use projects ranging in significance from finish materials on residences to the approval of major development projects. The Division is headed by an Assistant Director, Department of City Planning, who is also the Zoning Administrator. Operating sections of the Division are as follows:

Code Compliance

This Section is the largest in the Department and is organized into groups that are responsible for permit processing, Planning Code violation abatement, variance applications, nonconforming uses, neighborhood commercial uses, and various other activities.

Commission Cases/ Project Review

This Section is responsible for a large variety of projects requiring either City Planning Commission action or, where delegated by the Planning Commission, staff review for conformity with the Master Plan. Included in its responsibilities, the Section reviews proposals for reclassifications of property, text

amendments, conditional uses, condominium/ land subdivisions, master plan referrals, review of downtown projects and overview of institutional master plans.

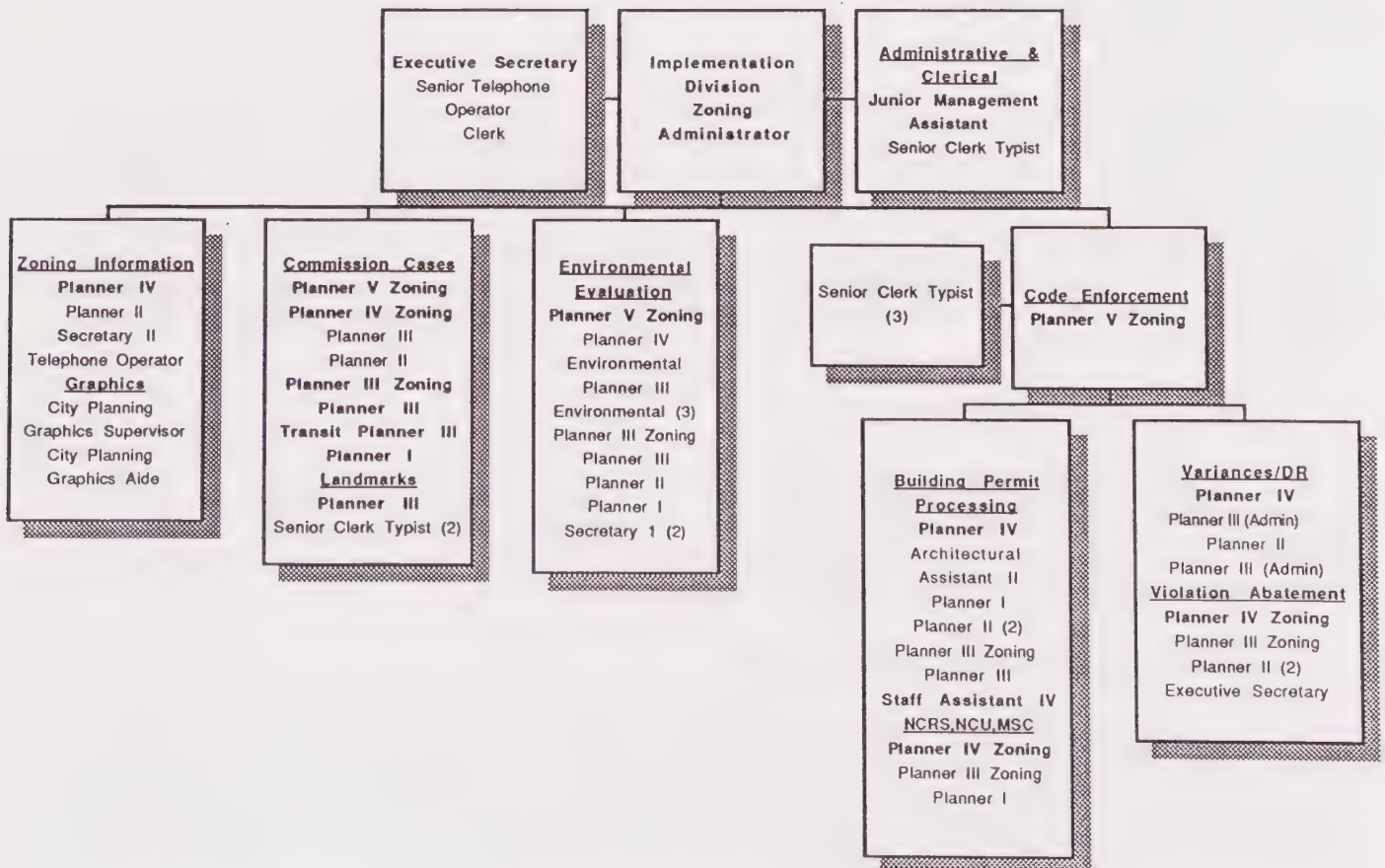
Environmental Evaluation

This Section performs environmental evaluations for all departments and agencies of the City and County of San Francisco in compliance with the California Environmental Quality Act (CEQA), the State CEQA Guidelines, Chapter 31 of the San Francisco Administrative Code, and the National Environmental Policy Act. The Section prepares and oversees preparation of negative declarations and categorical exemptions, initial studies, and environmental impact reports. It also comments for the City on environmental documents prepared by other jurisdictions and reviews pending state legislation.

The Implementation Division is authorized 65 positions in the Fiscal Year 1989-90 Budget, 60 of which are funded. Salary savings for the Division equate to approximately two full-time equivalent positions. The Division's organizational chart is shown below.

Exhibit 6

IMPLEMENTATION DIVISION ORGANIZATIONAL CHART



The Budget Analyst's December, 1988, audit report of the Planning Department included a workload/staffing analysis for the Environmental Evaluation Section. The "Conclusion" of that analysis is restated below. Our workload/staffing analyses in this report pertains to the remaining sections of the Implementation Division. This analysis includes a summary of the Permit Processing Section, which is covered in detail in Section 2.3.

The Department of City Planning does not accurately record or sufficiently monitor completion of its projects. During the past four years, the environmental review caseload declined slightly and then stabilized at approximately 176 cases annually. Further, the environmental review and project review workload is inefficiently distributed, necessitating duplicative efforts. As a result, the Department fails to process approximately 30 percent of its cases within the four month maximum goal established by the Office of Environmental Review. By developing a comprehensive case monitoring and tracking system, requesting an amendment to CEQA, revising the Administrative Code to be consistent with CEQA and improving the distribution of workload, the environmental and project review processes could be expedited.

Implementation Division Workloads

The Implementation Division is responsible for the activities shown in Table 1 on the next page, which also shows the caseloads for FY 1988-89 and other columns including the number of full-time-equivalent (FTE) positions assigned to each activity, required FTE positions to process current caseloads, current case backlogs, and FTE positions required to service backlogs. The annual caseload numbers for most of the land use case categories are taken from the Division's Master Project List for FY 1988-89.

Soon after initiating our management audit of the Department of City Planning, we recommended that a Departmental time-accounting system be developed and implemented for the purpose of collecting and analyzing time requirements for completing the Department's various caseloads and other activities, in order to allow rational resource allocations, justify requests for resources, prescribe individual performance standards, etc. The Department developed and implemented such a system, however, system discipline, i.e., collecting reliable time data from participants, has been inadequate to permit extracting such data for the purpose of determining average time factors for categories of cases. Thus, the average-time-required factors shown in Table 1 are the result of estimates provided by the Zoning Administrator and other Departmental staff. We have attempted to verify the reasonableness of the estimates, however, these factors should be considered provisional until adequate and reliable data can be extracted from the Department's time accounting system.

TABLE 1: IMPLEMENTATION DIVISION WORKLOADS

	Current Workloads and Reuired FTE						Backlogged Workloads and Required FTE			
Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
	Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
Category I- Productive	load		Required	Current			(Cases)	(Time)	Backlog	
Case Related	(Cases)		(Hours)	Workload						
Planning Information										
Planning Applications Intake	1,000	2 Days	0.50	0.25	0.50		0	0.00	0.00	
Public Inquiries (Zoning Counter)	24,000	7 Min	0.12	1.41	2.00				0.00	
Public Inquiries (Telephone)	24,000	7 Min	0.12	1.41	Included				0.00	
Public Inquiries (Written)	100	10 Days	1.20	0.06	in 2 above		130	20 Days	0.08	
Sub-total			1.93	3.14	2.50				0.08	
Productive- Not Case Related (25% of Case-related Time)				0.78					0.02	
Non-productive time (10% of Case and Other Productive Time)				0.39					0.01	
Planning Information Total				4.31	2.50				0.11	
Code Enforcement										
Building Permits	7,250	5 Days	2.20	8.04	7.30		1,476	8 Weeks	1.64	See Section 2.1
Neighborhood Commercial Conditional Uses	82	30 Days	45.00	1.86	1.90		15	5 weeks	0.34	
Nonconforming Uses (Bring Under Control)			1.48	0.00	0.00		2,000	52 Weeks	1.49	
Miscellaneous Permits	2,700	2 Days	0.50	0.68	0.75		0	0.00	0.00	
Variances (Hold Hearing)	171	30 Days	22.00	1.90	1.60		30	8 Weeks	0.33	
Variances (Mail Decision Letter)	*	5 Days	*	*	*		30	4 Weeks	*	*Included Above
DR (Non-Rich/Sunset)	100	30 Days	22.00	1.11	1.40		45	16 Weeks	0.50	
Violation Abatement (Document & Notify)	829	5 Days	8.00	3.34	3.00		4,000	*	4.03	* Indeterminate
Violation Abtmnt (City & Dist. Attroney Cases)	289	None	8.00	1.17	1.00		50	3 Weeks	0.20	
Public Notification	322	2 Days	1.00	0.16	0.75		0	0.00	0.00	
Sub-total				18.26	17.70				8.54	
Productive- Not Case Related (17% of Case-related Time)				3.10					1.45	
Non-productive time (10% of Case and Other Productive Time)				2.14					1.00	
Code Enforcement Total				23.49	17.70				10.99	

TABLE 1: IMPLEMENTATION DIVISION WORKLOADS

	Current Workloads and Required FTE						Backlogged Workloads and Required FTE			
Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
	Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
Category I- Productive	load		Required	Current			(Cases)	(Time)	Backlog	
Case Related	(Cases)		(Hours)	Workload						
Commission Cases										
Cond. Uses (Non-NCRS)	108	90 Days	40.00	2.18	2.50		5	18 Weeks	0.10	
Condo, Sub-divisions (non-Commission)	160	30 Days	6.00	0.48	1.25		95	18 Weeks	0.29	
Condo, Sub-divisions (Commission)	20	30 Days	40.00	0.40	*		*	*	*	* Included Above
Zoning Reclass, Text Amend	16	90 Days	40.00	0.32	0.30		4	20 Weeks	0.08	
DR Richmond/ Sunset	27	30 Days	22.00	0.30	0.50		12	4 Weeks	0.13	
Institutional Master Plan	2	90 Days	80.00	0.08	0.10		0	0.00	0.00	
Tier III	12	30 Days	30.00	0.18	0.22		7	16 Weeks	0.11	
Exception to Downtown Controls (Sec. 309)	5	60 Days	40.00	0.10	0.10		0	0.00	0.00	
TDR Use	4	5 Days	2.00	0.00	0.00		0	0.00	0.00	
Coastal Zone Permit	5	30 Days	20.00	0.05	0.05		0	0.00	0.00	
Certificate of Appropriateness	39	30 Days	8.00	0.16	0.25		5	20 Days	0.02	
Landmark Cases	6	60 Days	40.00	0.12	0.65		0	0.00	0.00	
Historic Districts	1	32 Weeks	200.00	0.10	0.10		3	96 Weeks	0.30	*Done on Overtime
Office Development Annual Limit	4	*	200.00	0.40	0.40		0	0.00	0.00	*Planning Comm
Article 11 Alteration Permits (Downtown)	6	30 Days	24.00	0.07	0.15		0	0.00	0.00	
Major Projects Review	10	Varies	120.00	0.60	1.00		0	0.00	0.00	
Commission Hearings	301		1.48	0.22	0.22		0	0.00	0.00	
Sub-total			873.48	5.79	7.79				1.03	
Productive- Not Case Related (20% of Case-related Time)				1.16						
Non-productive time (10% of Case and Other Productive Time)				0.69						
Commission Cases Total				7.64	7.79				1.03	
Division Management and Support				20.00	18.00				0.00	
Implementation Division										
(Minus Environmental Evaluation Section)				55.45	45.99				12.12	

The manager of the Commission Cases Section has suggested that rather than attempting to collect data on a Department-wide basis for all Departmental activities, that random cases of each category be selected for data collection in order to simplify the time accounting procedure, to reduce the amount of data input required, and to provide greater assurance of reliable data on all case categories. We believe the suggestion to be worthy of serious consideration by the Department.

Based on these estimates and our calculations, the Implementation Division requires a total of approximately 56 FTE staff positions, including support staff but excluding those nine staff positions assigned to the Environmental Evaluation Section, in order to service its current workload at the performance levels shown on the chart. Our calculations are derived by multiplying caseload category totals by the average amount of time required to complete a single case and then by dividing that product by 1,984 available hours (365 days minus weekends and 13 holidays, multiplied by eight hours per day). To that total is added a 17 to 25 percent addition to each caseload FTE, which is to compensate for productive but non-case-related time required for research, special projects, training, meetings, staff coordination, etc., and an additional 10 percent factor, the equivalent of approximately four weeks to compensate for sick leave and vacation. Separate lines in Table 1 show the calculations for each Implementation Division Section for productive-but-not-case-related time and for non-productive time. As previously stated, holidays were deducted from the FTE total time available for work prior to calculating required FTEs to service current workloads.

The additional ten percent factor to compensate for sick leave and vacations equates to approximately 20 days per year, per staffmember. However, a review of the Implementation Division's actual total non-productive time, which includes compensatory time-off, shows that for the 58 staff members assigned to the Division during FY 1988-89, the average staff member's non-productive time was approximately 301.6 hours, or 37.7¹ days per year, as shown in Table 2 below.

Table 2

Non-productive Time:
Implementation Division

<u>Non- productive</u> <u>Category</u>	<u>Total Time</u> <u>Off (Hours)</u>	<u>Average Time</u> <u>Off (Hours)</u>	<u>Average Time</u> <u>Off (Days)</u>
Vacation	6,034.34	104.04	13.0
Sick Time	7,108.79	122.56	15.3
Compensatory Time	<u>4,348.51</u>	<u>74.97</u>	<u>9.4</u>
Total Non-productive Time	17,491.64	301.57	37.7

¹37.7 is the arithmetic mean. The median total non-productive days off is 37.0

The Implementation Division's average non-productive time factor of 37.7 days per staff member, which does not include 13 paid holidays per year, equates to approximately 15.2 percent. Further, the difference between the 15 percent non-productive factor and the 10 percent non-productive factor equates to approximately 3.3 FTE positions, with a value of approximately \$150,000.

According to Departmental records, the average Implementation Division staff member recorded approximately 83 hours of overtime in FY 1988-89, most overtime is recorded at straight regular work time rather than at one and one-half times regular work time. Eighty-three hours of overtime work per staff member equates to approximately 10.4 work days, or approximately 2.3 FTE position per year. However, some of the overtime work is unrelated or only tangentially related to processing cases.

Based on our review of the Implementation Division's management of non-productive time as presented previously, we believe that the Department should intensify the management of non-productive time in the Division to conform with the following additional provisions:

1. Overtime must be approved in advance by the supervisor, in writing.
2. Compensatory time will only be taken on a minimum of a half-day basis and not on consecutive days.
3. The maximum number of compensatory days in any fiscal year will be limited to five.
4. Closely monitor sick time to assist in avoiding abuses.

Adequacy of Implementation Division Staffing

The Implementation Division is authorized 65 positions in the FY 1989-90 budget. An analysis of the Division's 65 authorized positions is as follows:

Positions Authorized in the FY 1989-90 budget	65
Positions Reserved and unfunded	<u>5</u> ²
	60
Positions assigned to the Office of Environmental Review	<u>9</u> ³
	51
Budgeted Positions Vacant	<u>5</u>
Positions Filled	46

² Reserved positions

(1) Planner I: Pending audit report and hearings

(2) Planner II: Pending audit report and hearings

(2) Planner II: Designated for Affordable Housing

³ Includes two vacant positions

The 46 filled positions have been allocated to the Implementation Division's various activities by the Zoning Administrator as shown in the "Current FTE" column of Table 1.

Based on the information shown in Table 1, the Implementation Division staff currently assigned and working (46 FTE positions) is not adequate to service its current caseloads and other activities at the stated qualitative service levels, which would require 55.45 FTE positions, under current organizational and procedural conditions. However, in the Budget Analyst's December, 1988, management audit report of the Department of City Planning, we recommended the Implementation Division be re-organized on a neighborhood planner basis instead of the current planner specialty basis. The side caption statement of that audit finding is cited below.

The Department of City Planning is primarily organized on a planning basis. For example, dedicated plan checkers check plans, transportation planners develop and review the transportation aspects of plans and studies, and variance processors process variances. The productivity of the Department could be enhanced and result in increased job satisfaction by making City districts or neighborhoods the primary basis for organization while still retaining a core of specialists in complex and critical specialties.

We continue to believe that the "neighborhood planner" concept has the potential for enhancing the Implementation Division's productivity and the job satisfaction of the Division's individual staff members. We recommend that the Director of Planning give serious consideration to implementing the concept, in some form.

Table 1 also shows that the Implementation Division has a current backlog of approximately 12.12 FTE positions, which would be required to eliminate the backlog within a one year time period. We believe that the most efficient means of satisfying the 56 FTE position requirement is as follows:

Required positions to service FY 1989-90 workloads	56 positions
Current Division filled positions	<u>46</u> positions
	10 positions
Fill Division Vacancies	<u>5</u> positions
	5 positions
Fund Positions on Reserve	<u>5</u> positions
	0 positions

We believe that better management of non-productive time could add the equivalent of as many as 3.3 FTE positions, as previously discussed, and would thus compensate for increases in the Implementation Division's FY 1989-90 workloads and assist in servicing backlogs.

The annual cost of funding the five currently reserved and unfunded planner positions would be approximately \$236,000, including mandatory fringe benefits.

Concerning the Implementation Division's case backlogs, we have calculated that approximately 4.05 FTE positions are required to eliminate the violation abatement backlog within a one year period. We allocated two hours of processing time to each case in calculating the violation abatement backlog case factor after consulting with the Violation Abatement Section Manager and the Zoning Administrator. However, it is possible that many of the greater than 4,000 backlogged violation abatement cases, which have been accumulating over a period of years, are no longer in existence. For example, it is probable that numerous reported illegal residential garage repair shops are no longer in operation. A sample of the quality of the greater than 4,000 currently open violation abatement cases would be required to determine a more accurate caseload work factor.

Table 1 also provides for an 8 A.M. to 5 P.M. planning information capability, with staffing capable of logging in and tracking planning information inquiries to provide timely responses. These tasks are currently inadequately performed in the Implementation Division.

Table 1 shows a total of 20 FTE positions as being required to provide Division management and support and 18.0 FTE positions as being the current allocation to those functions. It should be noted that two of the current five position vacancies are in the Division Management and Support category. Also, the 20.0 required FTE positions include no caseload content for the Zoning Administrator or the managers of the Code Enforcement and Commission Cases Sections.

Based on the calculations shown in Table 1, the Implementation Division requires temporary staff to eliminate its existing case backlogs. The Director of Planning, in a letter dated August 31, 1989, to the Mayor, the Board of Supervisors, and the City Planning Commission, has outlined a program of paid overtime and additional temporary staff allocations to eliminate the existing backlog in permit processing within four months, to provide two additional planners to the Violation Abatement function to review residential building permits resulting from code enforcement actions, and to upgrade an existing Planner V position to that of Deputy Zoning Administrator. The temporary staff would be hired for a total of six months. The total estimated one-time cost for the overtime pay, temporary staff, and additional supplies and equipment is \$126,340. Additionally, the estimated annual cost of converting the Planner V position to that of Deputy Zoning Administrator is \$6,400. The Budget Analyst is in agreement with the work program and resource request of the Director of Planning and recommends that the resource request be approved.

Implementation Division Management

Table 3 shows Implementation Division staffing in 1964. The information is taken from a publication titled "San Francisco Community Renewal Program," a report prepared by Arthur D. Little, Inc., for the Department of City Planning, and released on February 14, 1964.

Table 3
1964 Zoning Division
Permanent and Temporary Technical Staff

Permanent Staff

Zoning Information	4.0
Building Permits and Variances	4.0
Violation Abatement	1.0
Zoning Map Amendment, Conditional Uses, Set-Back Changes	1.5
Planning Code Revisions	<u>1.5</u>
Sub-total	12.0

Temporary Staff

Nonconforming Uses	2.0
Code Revisions	<u>1.0</u>
Sub-total	3.0

Total Staff	15.0
-------------	------

Table 3 shows that the basic organizing principle in 1964 was by type permit or planning approval sought, as is the basic organizing principle today. Another valid comparison between the Division's current staffing of 60 budgeted positions and the 1964 Zoning Division's staffing of 15 positions is that whereas centralized decision-making with respect to case approvals in the 1964 environment may have been feasible and even effective, such centralized decision-making for the current situation must be evaluated in terms of current workloads.

Currently, the division has four times the number of staff authorized in 1964, including the Environmental Evaluation Section, and the Division's caseloads are of such magnitudes and land use provisions are so complex that centralized decision authority is inappropriate. What is appropriate for the current environment is decentralized decision-making and management by exception. Managerially, such a change in managerial style requires training, motivation, and development of subordinates, and a management control procedure for identifying exceptions. The transfer from trying to control things, i.e., reviewing the significant aspects of many cases, to getting things under control, i.e., training and developing subordinates to exercise decision-making authority in their areas of expertise, while developing a control system to monitor performance, would improve the operation of the Implementation Division..

Another area of managerial responsibility in need of improvement in the Implementation Division is that of listening, and responding, to the suggestions of planners and support staff. During the course of this management audit and the previous audit of the Planning Department, we have been impressed by the insight and resourcefulness of individual staff members. When asked how processes or procedures could be made more efficient or effective, some staff members had thought through the important aspects of their section's responsibilities and could provide detailed recommendations on how operations could be improved. When asked why such recommendations had not, in fact, been implemented, too many answered that their managers are set in their ways and don't really listen to their suggestions.

The operations of the Implementation Division could be greatly improved by taking the following steps: (1) obtain additional permanent and temporary staff to service current workloads and backlogs as previously discussed, (2) control staff time through the prudent use of overtime and adherence to standard working hours, to obtain hours equal to a full-time equivalent position from each individual, and (3) develop staff to permit those worthy to obtain level 5 on the staff freedom scale⁴ shown below:

5. Act on own; routine reporting only
4. Act, but advise at once
3. Recommend, then take resulting action
2. Ask what to do
1. Wait until told

Inherent in adopting step (3) above will be a management orientation of getting things under control, as opposed to controlling things.

Dysfunctional Management Practices

The Budget Analyst's Audit Report of December, 1988, covered certain aspects of management within the Implementation Division. During our review, the Permit Processing Section and other Sections of the Implementation Division, we observed some practices are dysfunctional to morale and good order. Those practices are listed below.

1. Absence of Standards

Much of the work performed in the Implementation Division is amenable to the development of time standards. Such standards can be extremely useful for purposes of planning and controlling work and for justifying resource requests. Permit processing is particularly amenable to processing standards in that the processing cycle is relatively short and there are thousands of cases from which to derive standards. However,

⁴ William Oncken, Jr., "Managing Management Time," (Englewood Cliffs, New Jersey: Prentice-Hall, Inc.), 1984.

plan checkers are unsure as to what is actually expected of them in terms of completed (approved or disapproved) plans and the Implementation Division has not established any formal standards for work. One plan checker thought the number to be "eight," however, on reflection, he determined that eight is the standard that he had "heard" as being the number of permits each plan checker is to review and take some action on each day, not necessarily approve or disapprove.

With respect to the many other type of cases processed by the Implementation Division, such as variances, conditional use cases, or discretionary reviews, we have been unable to determine the existence of work standards in the Division.

2. Performance Evaluations

The Budget Analyst's management audit of the Planning Department dated December, 1988, notes in Section 7.5 that Department personnel are provided formal feedback on their job performance only on an infrequent basis and that some individuals have not received a performance evaluation in many years. An analyses of the execution of performance evaluations in the Implementation Division shows that of the six planners assigned to the Permit Processing Section, one had a performance evaluation performed in March, 1988, three had evaluations performed in 1985, and two, one of whom has been in the Department for approximately two years, and the other, for greater than four years, have never received performance evaluations.

3. Unclear Lines of Authority

As we have observed and have been told by planners and some managers, the organizational chain of accountability is far too loose for effective operations. Some planners are not sure for whom they work. Conversely, one manager who was directed by the Zoning Administrator to have his staff members contact the Budget Analyst to arrange interviews requested a meeting with the Zoning Administrator to determine who those staff members were.

4 Working Conditions

As described in Section 5.2 of this management audit, working conditions at 450 McAllister are intolerable. Working conditions for plan checkers are especially deplorable: they do not have the necessary space for laying out plans for review or for storing plans. The Section has one large table for laying out plans but that table will at the most accommodate two plan checkers. The working areas of some plan checkers are so small that the idea of anyone having to review building plans under such conditions is ludicrous.

Discretionary Review of Building Permit Applications

Discretionary review is the authority of the City Planning Commission to conduct reviews of building permit applications under powers vested in the Commission by Charter Section 7.500, which states that "No permit or license that is dependent on or affected by the zoning, set-back or other ordinances of the city and county administered by the city planning commission, shall be issued except on the prior approval of the city planning commission." The power is exercised in cases in which a proposed development meets the literal requirements of the Planning Code but may nonetheless have serious detrimental effects. Under this authority, the Commission may either approve the application, approve the application with conditions, or disapprove the application.

A building permit application may come before the Planning Commission as a Discretionary Review case in one of two ways, which are: (1) By the Planning Commission adopting a policy indicating its intention of conducting discretionary review of proposed projects under certain conditions, for example, a policy to review all permit applications for new and enlarged buildings along Market Street from the Central Freeway overpass to San Francisco Bay; or (2) By the Commission granting a request from an individual or group to take discretionary review of a specific proposed project; or (3) By the Planning Department Staff requesting that the Planning Commission take discretionary review of a proposed project.

Procedurally, the Planning Commission acts on building permit applications after a public hearing, during which the Commission receives testimony, both oral and written. The Commission then receives a recommendation from the Director of Planning and determines its decision. Either contending party has further recourse to the Board of Permit Appeals, should a building permit for the proposed project be issued, following the Discretionary Review hearing.

Discretionary review of a building permit application is initiated by submission of a completed application, accompanied by a nominal \$50 fee payment. The \$50 fee payment stands in contrast to the estimated actual average cost of \$770 to bring a case to a hearing (22 hours multiplied by \$35 per hour). The estimated \$770 is exclusive of staff costs incurred waiting for and actually presenting the case. The cost to the project sponsor of being delayed for many weeks awaiting a discretionary review hearing can be in the thousands of dollars.

The number of cases by fiscal year whereby the City Planning Commission has exercised its power of discretionary review has been increasing, as shown in Table 4. The nature of the discretionary review cases has also been changing. Prior to FY 1985-86, most discretionary review cases were due to the policy of the Planning Commission to review all large office building developments during development of the Downtown Plan. Those after FY 1985-86 were due primarily to requests from individuals and groups. Approximately two FTE positions are currently processing the discretionary review caseload. The time period from the filing of a request for discretionary review to a case decision can currently take up to five months.

Table 4

Number of Discretionary Review
Cases by Fiscal Year

FY 82-83	FY 83-84	FY 84-85	FY 85-86	FY 86-87	FY 87-88	FY 88-89
22	40	36	14	78	63	88

Our recommendation with respect to the discretionary review powers of the Planning Commission is that the Planning Commission grant requests to take discretionary review of building permit applications only in those cases that actually meet the test of posing possible serious detrimental effects to the surrounding area, and that the Commission develop and promulgate specific criteria discretionary review applicants would have to substantiate in order to have requests granted.

Department Revenues and Expenditures

The Department of City Planning is a General Fund department. The Department, however, does collect certain fees from some of its Implementation Division Services and for reproduction costs of the Master Plan and other planning documents, which go toward offsetting the Department's General Fund expenditures. The Department implemented a fee increase that averaged approximately 15 percent in September, 1988.

Table 5 shows revenues generated by the Department for FY 1986-87 through FY 1988-89. All of the fees shown in Table 5 are generated by the Implementation Division, with the exception of fees collected for Printing/Reproduction.

Table 5
Department of City Planning
Department Revenues

<u>Type Fee</u>	<u>FY 1986-87</u>	<u>FY 1987-88</u>	<u>FY 1988-89</u>
Conditional Use	\$582,515	\$384,800	\$463,118
Environmental Evaluation	391,536	324,213	376,223
Variances	67,778	105,066	118,741
Building Permits	1,017,038	998,875	970,192
Institutional Master Plan	0	1,300	1,300
Transfer of Development Rights	0	1,750	3,000
Proposition K (Sunlight Ordinance)	0	1,300	14,044
Special Use District/Union Street	250	0	0
Section 309 (Downtown Districts)	178,570	14,447	284,816
Section 321(Office Develop.: Annual Limit)	90,000	15,000	90,000
Discretionary Review	3,833	6,600	5,660
Certificate of Appropriateness	7,600	5,350	7,350
Zoning Reclassification	9,750	4,000	7,500
Coastal Zone	14,337	2,540	0
Tier 3 Review	0	0	7,302
Police, Fire, Health, and other Permits	25,000	50,000	50,000
Zoning Text	0	800	0
Printing/Reproduction	6,973	8,643	15,456
Total	<u>\$2,395,180</u>	<u>\$1,924,684</u>	<u>\$2,414,702</u>

Table 6 shows the Department's revenues in comparison to the Implementation Division's expenditures and in comparison to the entire Department's expenditures, including the Implementation Division, For FY 1986-87 through FY 1988-89

Table 6
Department of City Planning
Revenues, Expenditures, and Funded Positions

	<u>FY 1986-87</u>	<u>FY 1987-88</u>	<u>FY 1988-89</u>
Revenues	\$2,395,180	\$1,924,684	\$2,414,702
Implementation Division Expenditures	<u>2,410,050</u>	<u>2,592,959</u>	<u>2,468,518</u>
Excess of Expenditures over Revenues	\$14,870	\$668,275	\$53,816
Percent Recovery	99.4	74.2	97.8
Funded Positions	57	58	55
Department-wide Expenditures	<u>4,926,644</u>	<u>5,156,745</u>	<u>4,902,679</u>
Excess of Expenditures over Revenues	\$2,531,464	\$3,232,061	\$2,487,977
Percent Recovery	48.6	37.3	49.2
Funded Positions	104	102	90

Based on the figures in Table 6, the Implementation Division has recovered an average of 90.1 percent of its direct staff costs over the past three years. The expenditures shown for the three fiscal years do not include any Departmental overhead cost allocations, which would decrease the average recovery percentage. Including an estimated overhead cost allocation amount of \$700,000, the Implementation Division's recovery for FY 1988-89 on a full cost basis would have been 76.2 percent (\$2,414,702 divided by \$3,168,518). Based on FY 1988-89 revenue and expenditure figures, the Implementation Division would have had to raise its fees an average of 31.2 percent in order to cover the shortfall of \$700,000 (\$3,168,518 minus \$2,468,518).

As shown in Table 5, the Department of City Planning is recovering approximately \$1 million annually in building permit application revenues. However, direct expenditures for permit processing in the Department do not exceed \$500,000. Were the Permit Processing Section and related activities a part of the Special Building Fund, as we recommend in Section 2.3 of this audit report, all fees collected for building permits would be applied to fund building permit related activities, or to reduce fees. Currently, the excess of building permit revenues over expenditures is applied against other Departmental costs.

In addition to making the Permit Processing Section a part of the Special Building Fund and to provide an adequate level of services throughout the Implementation Division, we recommend that the Department of City Planning initiate legislation to implement new violation abatement fees and adjust existing fees to recover the full costs of all other Implementation Division activities.

CONCLUSION

The Implementation Division of the Department of City Planning is not adequately staffed to service its current workloads. Additionally, the Division has a backlog of various cases, most significantly in permit processing and violation abatement, that will require additional temporary resources to eliminate. The Department should adjust its current fees and develop new fees related to violation abatement in order to recover the full costs of services provided by the Implementation Division. Better management of staff productive and non-productive time would enhance the Implementation Division's operation.

RECOMMENDATIONS

We recommend that the City Planning Commission:

- Grant requests to take discretionary review of a building permit application only in cases where proposed projects actually meet the test of posing possible serious detrimental effects to the surrounding area.

- Develop and promulgate specific criteria that discretionary review applicants would have to meet in order to have discretionary review requests honored.

We recommend that the Director of Planning:

- Implement the neighborhood planner concept, as recommended in the Budget Analyst's December, 1988, management audit of the Department of City Planning.
- Implement the program outlined in his letter of August 31, 1989, to eliminate the backlog of building permit applications.
- Improve the productivity of staff in the Implementation Division by insuring that non-productive staff time is more closely monitored and better managed.
- Strengthen management in the Implementation Division by implementing the proposed conversion of a Planner V position to that of Deputy Zoning Administrator.
- Evaluate the effectiveness of using temporary staff and paid overtime to eliminate permit processing backlogs for possible application to other backlogged caseloads, should the Department's supplemental budget request for temporary staff and paid overtime be approved.
- Initiate legislation to establish new fees related to violation abatement and to adjust existing fees to fully recover the costs of the Implementation Division.

BENEFITS/COSTS

The annual first year cost of funding the five currently reserved and unfunded planner positions would be approximately \$236,000, including mandatory fringe benefits.

The estimated one-time cost of implementing the proposed recommendations would be \$126,340. Annual costs of approximately \$6,400 would be incurred by converting one Planner V position to that of Deputy Zoning Administrator.

The benefit of implementing the proposed recommendations would be to eliminate existing building permit processing backlogs, to fully recover the costs of the Implementation Division, and to enhance the productivity and operation of the Implementation Division.

1.2: BUILDING PERMIT PROCESSING IN THE DEPARTMENT OF CITY PLANNING

THE DEPARTMENT OF CITY PLANNING PROCESSES APPROXIMATELY 6,300 BUILDING PERMIT APPLICATIONS ON AN ANNUAL BASIS, THE LARGE MAJORITY OF WHICH ARE FOR RESIDENTIAL ALTERATIONS. AS OF AUGUST 4, 1989, APPROXIMATELY 1,476 OR 23.4 PERCENT OF ALL PERMIT APPLICATIONS PROCESSED WERE BACKLOGGED, AWAITING AN INITIAL REVIEW, AND APPROXIMATELY 1,219 OR 19.3% WERE ON "HOLD," AWAITING PLAN REVISIONS OR ADDITIONAL INFORMATION. THE AVERAGE TIME REQUIRED BY CITY PLANNING TO INITIALLY REVIEW A RESIDENTIAL ALTERATION APPLICATION TAKES TEN WEEKS. BY OBTAINING TEMPORARY ASSISTANCE TO REDUCE BACKLOGS, BY ASSIGNING ADDITIONAL PERMANENT STAFF TO PERMIT PROCESSING, AND BY CHANGING SPECIFIED OPERATIONAL PROCEDURES, THE DEPARTMENT CAN REDUCE ITS BACKLOGS AND IMPROVE SERVICES TO APPLICANTS.

All construction, both new and alterations to existing structures, as well as all applications for demolitions and signs, come under the purview of the Planning Code. Section 7.500 of the City Charter provides that "no permit or license that is dependent on or affected by the zoning, set-back or other ordinances of the City and County administered by the City Planning Commission, shall be issued except on the prior approval of the City Planning Commission." In actual practice, the Bureau of Building Inspection (BBI) uses BBI Bulletin A-51A for determining which building permit applications should be routed to the Department of City Planning for review.

BBI Bulletin A-51A was last updated in March of 1981 and is currently in need of revision. We have recommended to the Bureau of Building Inspection that the Bulletin be updated. BBI has attempted to do so but the Department of City Planning has not been able to satisfactorily reach agreement with BBI on what City Planning should review on a regular basis.

Because the Planning Code had not been updated in recent years to take into account the prevailing interests of some neighborhoods with respect to the scale and character of construction, a number of interim measures, beginning with the Richmond/Sunset Special Use District controls in November, 1987, were

developed to deal with the lag problem in the Planning Code's provisions. A listing of those interim measures with a brief explanation of each is as follows:

<u>Interim Control</u>	<u>Time Period</u>	<u>Purpose</u>
Richmond/Sunset	Nov 87 - May 88	Implemented stricter requirements for construction in RH-1, RH-1(S), ¹ and RH-2 districts as relates to height, expansions, rear yards, parking, design, recording, and notifications.
Bernal Heights Special Use District	Dec. 87 - Dec 89	Implemented RH-1 district rules on all residential development in Bernal Heights, with the exception of rear yards and height requirements, which are more stringent than existing rules for RH-1 districts. These controls also imposed a building size limit and more stringent off-street parking requirements.
Demolition Moratorium	Feb 88 - Jul 88	With minor exceptions, prohibited the demolition or major alteration of single- and two-unit residences throughout the City.
Neighborhood Conservation Freeze Order	Jul 88 - Sep 88	Suspended action on permit applications filed on or after April 25, 1988, which propose a use, demolition, construction, or alteration prohibited by the proposed Neighborhood Conservation Interim Controls.
Neighborhood Conservation Interim Controls	Sep 88 - Mar 90	Established the Tier System and prohibits demolition of existing single-family residential buildings (Section below provides greater detail).
Bernal Heights East and South Slopes Spec- ial Use District	Feb. 89 - Mar. 90	Imposed a moratorium on the construction of new residential buildings in the specified areas.

¹ Residential, House Districts, One-Family with Minor Second Unit.

These interim controls have had an effect on the amount of time required to process residential building permit applications. The complexity of the permit application review process has been exacerbated not only because of the changing rules under the various controls, cited above, but also because, due to the backlog of plans for review and to the large number of plans on hold awaiting revision, depending on the specific dates of the applications, identical proposed projects in the same locale could have different rules applied.

Neighborhood Conservation Interim Controls

The City Planning Commission adopted Neighborhood Conservation Interim Controls (NCIC) in September, 1988, because of persistent concerns about the demolition of single-and-two-family residences and the construction of residences that were out of scale and character with existing neighborhood patterns. Prior to the NCIC, the Planning Code contained no specified prohibitions on the demolition of existing single-and-two-family residences. Thus, it was permissible and economically advantageous for developers to purchase primarily single family residences, demolish the residences, and build a new residence which, though meeting the minimum standards of the Planning Code, were larger and of differing design than existing development, and often were built with the potential for the addition of an illegal dwelling unit. NCIC, as its name suggests, is designed to conserve the existing pattern of the City's neighborhoods.

NCIC are "interim" controls and are due to expire no later than March, 1990. The Planning Commission expects to adopt permanent controls prior to expiration of NCIC and the Planning Department is currently engaged in a Residential Study for the purpose of recommending permanent controls to the Planning Commission for adoption.

Salient features of the Neighborhood Conservation Interim Controls are as follows:

1. The establishment of a Tier System for classifying building permit applications, as follows:

Tier I Projects: Projects that meet the average height and depth of adjacent buildings.

Tier II Projects: Projects that exceed the height and depth requirements for Tier I projects within specified limits.

Tier III Projects: Projects that exceed the height and depth limitations of Tier II projects.

2. Demolition - Prohibition of the demolition of existing single-family residential buildings unless replaced with a single-family residential building.
3. Design Guidelines - design guidelines are mandatorily determined by the "Residential Design Guidelines".
4. Public Notice/Procedures - Notice is required to surrounding property owners to a degree determined by the Tier classification.

Effects of the Neighborhood Conservation Interim Controls (NCIC)

As previously stated, the purpose of NCIC is to enhance assurance that neighborhood development is in accordance with the existing scale and character of the residential areas. The primary means of accomplishing that objective within NCIC is by public notification of planned development, coupled to a tier system that triggers levels of notification dependent upon the degree of development. In essence, NCIC is a reaction to a control process that allowed "Richmond Specials" and the like that did not conform to the scale and character of existing development.

Appendix C, "Permit Process Flow Chart," is a diagram of permit processing events prior to and following adoption of NCIC. NCIC has significantly added to the notification and review processes. Although NCIC is clearly a time consuming permit application process, we recognize the community forces that were and still are at work and that have resulted in NCIC, and we do not take issue with the objectives it seeks to attain. The proper evaluation of NCIC or any other set of land use procedures which must accommodate the rights and interests of those who seek to develop property and those who must live with such development is whether the procedures are efficient, subject to necessary constraints to protect the rights of those involved. The Department of City Planning is currently performing studies that will result in permanent controls to replace NCIC, no later than March of 1990, and the City Planning staff responsible for developing those controls are including the counsel of the Permit Processing Section in their deliberations. Given the lessons learned of the past months under NCIC, procedures that preserve the oversight and review aspects of NCIC and which are more efficient, in terms of presenting a body of rules that the public can reasonably comply with, without multiple delays for additional information requests, and a body of rules that will allow plan checkers to more readily assess the conformance of a project to those rules, should be developed. Our interviews with plan checkers have determined the following aspects of NCIC to be particularly in need of review, as they pertain to plan checking:

1. Use of the averaging method (which entails requiring plot plans and measurements of adjoining properties) for determining conformity with controls.

2. Provisions for reviewing additional rooms, particular those at ground level.
3. Inclusion of house decks in the Tier System.
4. The 30-day waiting period following Tier II notification.

Proposition "M" - The Accountable Planning Initiative.

Proposition M, passed in November, 1986, has lengthened the average period required to process building permit applications for those applications to which the provisions of Proposition M apply. This does not necessarily mean that one effect of Proposition M has been to increase the overall workload on the Department of City Planning with respect to permit processing. As shown in Table 7, the number of Form 1 building applications processed by the Planning Department, the form used for buildings to which the office limitations normally apply and which take the greatest amount of review time per permit application, have decreased in recent years, beginning approximately with the approval of the Downtown Plan, which preceded Proposition M.

Proposition M's priority policies are applied to approximately 15 percent of the building permits reviewed by the Department.

Building Permit Processing

Table 7 is a tabulation of building permits submitted to the Department of City Planning and those processed by the Department for FY 1981-82 through FY 1988-89. Over that period, the number of incoming permits has doubled, from 3,595 to 7,245, or 101.5 percent, whereas the output of permits processed has not kept pace with the increasing input: output has increased during the period from 3,602 to 6,306, or 75.1 per cent. The proportion of permit applications processed dropped from 100 percent in FY 1981-82 to 87 percent in FY 1988-89. During that period, the plan checking staff has been increased by more than 100 percent. This condition can be partially explained by the fact that there have been a greater number of cancelled applications in the past few years, but the more significant reason is that the number of permit applications on hold and those in the Section's backlog have increased over the years.

The numbers of incoming and processed permits shown in Table 7 were taken from manual tally sheets kept by the Permit Processing Section. Those sheets show an intake total of Form 4 (Erected Signs) applications for fiscal years 1987-88 and 1988-89 as being 461 and 490 applications, respectively. Analogously, the tally sheets show processing totals for Form 4 applications for fiscal years 1987-88 and 1988-89 as being 707 and 787, respectively. Actually, the intake totals of Form 4 applications are understated by between 350 to 500 applications for each of those years. The planner who processes Form 4 applications has stated that a multiple number of permit applications may be contained in one set of plans. The plans come to the Section rolled up with only one permit application showing, which is used for the tally count. When the plans and applications are taken from

Table 7: DCP Building Permits Received and Processed

Permit Type	Application Form Number	FY 81-82	FY 82-83	FY 83-84	FY 84-85	FY 85-86	FY 86-87	FY 87-88	FY 88-89	TOTALS
INCOMING PERMITS										
New Building(Steel, Concrete)	1	123	68	92	76	86	24	16	38	523
New Building(Wood)	2	215	309	627	361	458	566	558	573	3,667
Alteration	3	2,491	2,486	3,512	3,665	4,139	4,662	5,874	5,933	32,762
Sign (Structural)	4	589	841	1,089	691	668	609	461	490	5,438
Grading	5	12	15	17	36	14	5	14	14	127
Demolition	6	155	146	117	174	275	242	215	173	1,497
Sign (Painted)	7	10	14	18	9	36	12	0	24	123
Total		3,595	3,879	5,472	5,012	5,676	6,120	7,138	7,245	44,137
PERMITS PROCESSED										
New Building(Steel, Concrete)	1	97	46	56	13	14	8	11	6	251
New Building(Wood)	2	232	260	536	296	391	498	483	471	3,167
Alteration	3	2,558	2,656	3,613	3,916	4,250	4,563	4,737	4,875	31,168
Sign (Structural)	4	552	707	1,266	742	689	646	707	787	6,096
Grading	5	18	11	15	23	13	5	12	8	105
Demolition	6	136	167	245	169	211	256	197	159	1,540
Sign (Painted)	7	9	15	9	6	56	46	0	0	141
Total		3,602	3,862	5,740	5,165	5,624	6,022	6,147	6,306	42,468

the backlog and unrolled, the additional permit applications contained in the rolled package have not been added to the manual count for the type application processed. As a result, a large number of applications are not counted.

Approximately 7.3 full-time-equivalent (FTE) staff positions within the Department of City Planning are directly responsible for reviewing building permit applications, to include determining if projects require any other Planning Commission approvals. Of the 7.3 FTE positions, seven planners, constituting approximately 6.3 FTE positions, are actually assigned to the Permit Processing Section as shown below. The remaining 1.0 FTE performing permit processing work are assigned to other units of the Code Compliance Section and to the Commission Cases Section.

The Permit Processing Section is composed of the following seven staff members:

Permit Process Section

Planner IV - Section Chief
Planner III (.3 FTE)
Architectural Assistant II
Planner II (2)
Planner I (2)

The Planner IV is the Section Chief and performs plan reviews of all new construction and of all demolition and excavation applications. The Planner III spends approximately one-third of her time processing residential alteration permit applications. The two Planners IIs, the Architectural Assistant II, and one Planner I perform all of the residential alteration reviews. The Planner I devotes only approximately sixty percent of his time to permit review. The remainder of his time is devoted to clerical tasks such as delivering and retrieving applications and plans. The remaining Planner I reviews all permit applications for signs and also performs the clerical task of completing a ledger card (the Green Sheet) for each permit application.

In addition to the above, the Planner V Code Compliance Section Chief currently expends approximately one-half of his time plan checking alteration permit applications for industrial and commercial uses.

Permit Applications on Hold or Backlogged

Currently, residential alteration permit applications routed to the Department of City Planning are put in a backlog of up to ten weeks duration. In addition, many applications are put into a "hold" condition because the project's plans require revision or additional information is required in order to rule on the application's conformity with the Planning Code. Table 8 shows the number of applications on "hold" or "backlogged" as of August 4, 1989.

Table 8
Number of Building Permit Applications
on Hold or Backlogged

Form #	Application Type	<u>FY 1988-89</u>		<u>As of August 4, 1989</u>	
		<u>Appli- cations In</u>	<u>Appli- cations Out</u>	<u>Appli- cations On Hold</u>	<u>Appli- cations Backlogged</u>
1,2	New Const.	611	477	198	184
3	Alterations	5,933	4,875	938	958
4,7	Signs	514	787	12	289
5	Excavation/ Grading	14	8	1	2
6	Demolition	<u>173</u>	<u>159</u>	<u>70</u>	<u>43</u>
	Total	7,245	6,306	1,219 ¹	1,476

Table 8 shows that as of August 4, 1989, there were approximately 1,219 building permit applications on hold and approximately 1,476 applications not yet initially reviewed. Table 9 on the next page shows that the numbers of permit applications on hold and backlogged have been increasing in the past few years. Between August 8, 1986, and August 4, 1989, the number of permit applications on hold increased from 525 to 1,219, or by 132 percent, and the number of permit applications backlogged increased from 349 to 1,476, or by 323 percent. Not only have the absolute numbers of permit applications on hold or backlogged increased, but the proportion in one of those statuses has also increased. In 1986, 9.3 percent of all applications were on hold and 6.2 percent were backlogged. By 1989, the amount on hold had increased to 19.3 percent and the amount backlogged had increased to 23.4 percent of all permits processed.

¹ This figure include approximately 300 applications on hold in the Violation Abatement and miscellaneous other Sections.

Table 9

**Building Permits on Hold or Backlogged
in the Department of City Planning**

	<u>Permit on Hold</u>				<u>Permits Backlogged</u>			
	<u>Aug 8</u> <u>1986</u>	<u>Aug 7</u> <u>1987</u>	<u>Aug 5</u> <u>1988</u>	<u>Aug 4</u> <u>1989</u>	<u>Aug 8</u> <u>1986</u>	<u>Aug 7</u> <u>1987</u>	<u>Aug 5</u> <u>1988</u>	<u>Aug 8</u> <u>1989</u>
Forms 1 & 2	135	199	155	198	59	75	93	184
Form 3	335	467	753	938	268	404	680	958
Form 4, 5, 6, 7	<u>55</u>	<u>62</u>	<u>55</u>	<u>83</u>	<u>22</u>	<u>45</u>	<u>145</u>	<u>334</u>
Total	525	728	963	1,219	349	524	918	1,476
Percent of Total ²	9.3%	12.1%	15.7%	19.3%	6.2%	8.7%	14.9%	23.4%

The increasing number of permits on hold and backlog is made even more problematic by the fact that, on the average, it currently takes longer to process a permit than it did years past.

As a comparison, there were 3,916 alteration permits processed in FY 1984-85 and 4,875 alteration permits processed in FY 1988-89. The number of full-time equivalent plan checkers for alterations during those time periods was two for FY 1984-85 and 5.3 for FY 1988-89. As shown in Table 10, the output or plans processed per plan checker per day for alteration permits was 8.16 in FY 1984-85 as compared with 3.83 in FY 1988-89.

Table 10

Completed Alteration Building Permits Per Plan Checker Per Day

FY 1984-85	8.16	(3,916 ÷ 2 plan checkers ÷ 240 work days)
FY 1988-89	3.83	(4,875 ÷ 5.3 plan checkers ÷ 240 work days)

As shown, although the number of alteration permits increased by 24.5 percent, and the level of staffing dedicated to the permit process increased by an even greater 165 percent, the output production per employee for alteration permits has been reduced by approximately 53 percent.

As previously stated, an application is put on hold because the accompanying plans or Proposition M findings lack sufficient information for a determination as to whether the application complies with the Planning Code or the planned project must be changed in some way in order to comply with the Planning Code. The percentage of plans placed on hold is directly related to the complexity of the Planning Code's provisions, which, as we have stated, have been

²Percent of total applications processed in the preceding fiscal year.

increasing in complexity. The Department of City Planning has recently instituted a procedure whereby all residential alteration permit applications are given an initial review to determine if the application can be approved immediately. According to the planner conducting the initial plan check, only 14 percent of the permit applications can be approved immediately. Of the remaining 86 percent of the applications, 30 percent require plan changes and a Notice of Special Restrictions (NSR) and 56 percent are either incomplete Tier 1 or Tier 2 projects or are complete Tier 2 projects. The efforts of the Implementation Division's plan checkers consumed in the initial review of such a large percentage of unacceptable permit applications, which includes drafting a letter to the applicant, is a waste of resources.

As presented in Section 2.1, BBI's Counter Services Division is responsible for permit application intake. Currently, the Counter Services Division is responsible for insuring that permit applications are complete. However, due to the complexity of City Planning's permit application requirements and the pressure on counter inspectors and clerks to quickly process permit applications, many applications that require a City Planning review are accepted by the Counter Services Division that should be rejected for lack of complete information. These unacceptable permit applications result in wasted plan checker time reviewing the application and placing it on hold.

Section 2.3 contains our recommendations to consolidate the Department of City Planning and the Bureau of Building Inspection into a single organization. Such a re-organization should include the consolidation of the disparate permit processing units into a unified Division. Such a consolidation, should it occur, would be well into the future. As an immediate course of action to alleviate the overburdening permit applications on "hold" condition, we recommend that the Department of City Planning take the following two actions:

1. Immediately station a planner capable of determining the acceptability of the permit applications with the County Services Division to provide quality assurance of permit application intake. BBI has offered to make space available for this purpose.
2. In order to increase the percentage of acceptable first-time permit application submissions, immediately develop and disseminate a set of prototype monographs for various types of residential alterations to standardize the content and location of essential permit application information.
3. Continue the recently implemented procedure of reviewing all residential alteration permit applications upon receipt and immediately approving those meeting approval criteria.

Permit Processing Staffing

Although the Planning Commission in the Department's FY 1989-90 Work Program "recommended reallocation of staff within the Implementation Division to achieve its work program priorities in the areas of permit processing and code enforcement," the actual allocation of staff to the building permit processing function has been minimal. (No staff increases to the code enforcement have occurred as of late-August, 1989.) During the process of determining staff assigned to each section in the Implementation Division, the Zoning Administrator included the names of three additional planners as being assigned to the Permit Processing Section. However, one of those persons is performing no permit reviews and the two other planners spend very little of their time processing permits.

The seven planners assigned to the Permit Processing Section have one of the most demanding, if not the most demanding, assignments in the Department of City Planning. They apply the myriad and complex Planning Code and other rules to particular development projects, communicate with citizens who are anxious to commence work on their projects, and have a constant and increasing flow of permit applications to process. Unlike some of the other sections within the Department, they arrive at work early and work steadily all day. Also unlike other sections, they are not permitted to accumulate compensatory time to use for their vacations because the Section Chief realizes that the continuous use of overtime is an unproductive method of operating. Whenever they desire to take time off, they must use their vacation time for that purpose.

The Section does not have the staff assigned that would provide an adequate level of service, given the average permit application processing time under current zoning rules. In addition to transfers of existing staff to permit processing as stated in the Work Program, temporary staff is required to eliminate the permit application backlogs as identified in Table 4 and previously in Table 1 of Section I.1. In addition, one clerical person, assigned directly to the Permit Processing Section Chief, is required immediately to perform the numerous clerical tasks now performed by Section plan checkers. Under current operating conditions, the Permit Processing Section Chief presently has no one to assume a planner's workload, even his own, when out on vacation or sick leave. Inquiries from the public are unanswered during those periods.

Permits Processed Out of Sequence and Permits Not Processed

Because of the large backlog of permits awaiting review and the even larger number on hold, there are numerous calls to the Department, the Mayor's Office, the Board of Supervisors, and to the Planning Commission to try to get action on permits. Some of the calls result in permits being pulled out of sequence for processing. In fact, one planner we interviewed was in the process of reviewing a building permit date stamped into the Department as of July 25, 1989. The application was for kitchen and laundry room renovations and the installation of a new toilet. However, June 6, 1989, was shown at the Department's Information

Counter as being the review date for applications received by the Department for residential alterations. Had the July 25 application remained in sequence it would not have been reviewed for at least another six weeks.

We believe that a special consideration may arise for management intervention to expedite a permit, however, we believe that the cause should be extraordinary and subject to the approval of the Director of Planning, only.

CONCLUSION

Because of the increasing complexity of zoning and other controls, the process of reviewing building permit applications has been increasing over the past few years, whereas potential compensating factors, such as reviewing a reduced number of permits, or the introduction of technological efficiencies have not occurred. Although there has been an increased allocation of staff over the years to permit processing, that percentage increase has not kept pace with the workload increase, which has been increasing both in quantity of permits and complexity of controls. While recognizing the necessity for controls that re-establish construction practices in neighborhoods that is in consonance with existing patterns, every effort should be made to simplify such controls.

RECOMMENDATIONS

We recommend that the City Planning Commission:

- Approve a set of permanent zoning controls for neighborhood development that can be more efficiently implemented, while preserving the values they seek to protect. Specifically, the following provisions should be given consideration in the development of permanent controls:
 1. Specific rules for neighborhood development rather than methods that require measuring buildings on adjacent lots and adjacent lot areas.
 2. Provisions for reviewing room additions to existing dwellings that are more easily implemented than those currently included in the interim controls.
 3. Deletion of minor expansions to residences, such as some house decks, from notification requirements.
 4. Limiting notification of proposed projects to adjacent property owners, to neighborhood organizations, and to posting information on proposed projects in the Information Office of the Department of City Planning.

We recommend that the Director of Planning:

- Direct the stationing of a planner, capable of determining the acceptability of permit applications for the Department of City Planning's review purposes, in BBI's Counter Services Division.
- Develop and disseminate a set of sample building permit applications for various types of residential alterations to standardize the content and location of essential permit application information.
- Continue the recently implemented procedure of reviewing all residential alteration permit applications upon receipt and immediately approving those permit applications meeting approval criteria.

BENEFITS/COSTS

The implementation of these recommendations would result in a more efficient permit application review process and improved service to permit applicants. An additional planner and an additional clerk for the permit processing function are included in the recommended staff allocations for the Implementation Division, as presented in Section 1.1 of this audit report.

SECTION 1.3: A FULL-SERVICE PLANNING DEPARTMENT

THE DEPARTMENT OF CITY PLANNING HAS EVOLVED INTO AN ORGANIZATION PRIMARILY RESPONSIBLE FOR ZONING DECISIONS, REACTIVE PLANNING, AND PROVIDING SUPPORT FOR SPECIAL PROJECTS, SUCH AS THE BATTLESHIP MISSOURI, THE PIER 39 AQUARIUM, AND THE BASEBALL STADIUM. THE DEPARTMENT'S PRESENT STAFFING LEVEL AND EQUIPMENT ARE INADEQUATE TO HANDLE ALL OF ITS IMPLEMENTATION RESPONSIBILITIES, AS WELL AS ITS FUNDAMENTAL PLANNING FUNCTIONS.

The Mission of a Full-Service Planning Department

A full-service planning department is responsible for approving and controlling all development within its jurisdiction, to include the provision of all services to the citizens of its jurisdiction. Such a role is that envisioned by the City Charter, which states in part that:

3.524 The Master Plan; Scope and Content

It shall be the function and duty of the city planning commission to adopt and maintain, including necessary changes therein, a comprehensive, long-term, general plan for the improvement and future development of the city and county, to be known as the master plan....

The master plan shall show the general location, character, and extent of existing and proposed street railway, bus, railroad, air, water, and other transportation routes and terminals, public ways, grounds, and open spaces, and the general location of major buildings, structures, and facilities constructed thereon or proposed, and shall include a land-use plan showing the proposed general distribution and the general location and extent of housing, business, industry, recreation, education, and other categories of public and private uses of land, and recommended standards of population density and building intensity, with estimates of population growth and a general description of the amount of general classes of industrial, business and other economic activities for which the commission deems that space should be supplied within the territory covered by the plan, all correlated with the land-use plan. It shall

include proposals for the acquisition, extension, widening, narrowing, removal, relocation, vacation, abandonment, sale, or change in the use of any of the foregoing public ways, routes, grounds, open spaces, buildings, or structures....

The Budget Analyst's December, 1988, management audit report of the Department of City Planning includes the following conclusion with respect to the City's Master Plan:

"The Master Plan for the City's improvement and future development should be more comprehensive. It is outdated in some areas and does not provide sufficient guidance in others. In addition, the Master Plan does not include an overview or general "Concept" for the improvement and future development of the City. The Master Plan should be systematically reviewed and updated.

Within at least the last two years, the mission of the City's Department of City Planning has, with few exceptions, been truncated in actual practice to that of providing zoning decisions, reactive planning, and providing support for special projects. For example, three development initiatives of recent significance have been the homeporting of the Battleship Missouri in San Francisco, the development of an aquarium at Pier 39, and the building of a baseball stadium in China Basin. Each initiative has been surrounded by controversy and has resulted in the allocation of considerable Departmental resources to support. Yet each has been a reaction to an external force in the sense that the City did not formulate the initiatives and was not the instigator of the proposed project.

We in no way attribute fault to the Planning Department for supporting these initiatives, which may be viewed as "targets of opportunity". Our point is that none of the aforementioned initiatives was an implementation means in response to planned City development as contemplated in the Master Plan or in an Area Plan.

As covered in the Budget Analyst's previous audit report of the Department of City Planning, a basic deficiency of the Department is its lack of an adequate information base. In order to formulate effective and innovative solutions to opportunities and problems, both of a short-term and a long-term nature, it is necessary to have accessible a store of basic economic and social information, in the broadest sense of those terms. Numbers and types of houses, transportation statistics, employment and business statistics, etc., are the elements of data necessary to effective planning and subsequent implementation, and are areas where the Department's information base is lacking. In order to perform trend analyses of social or economic conditions for purposes of either prediction or control, an adequate information base is a basic necessity.

An inverse relationship exists between the number of suitable solutions to a problem and the amount of time the problem is permitted to formulate and fester. An example of this principle can be drawn from a contemporary City concern -- namely, that of the homeless. An active, informed, and adequately resourced

Department could have helped to foresee and understand the homeless problem and could have formulated alternative courses of action for decision makers to consider. Accurate data, analysis of information and projection of service needs is essential to the planning function and decision-making. . Comprehensive analyses would enable problems to be anticipated before they become crises. It would give decision-makers quality information regarding issues confronting the City. Moreover, better analysis of urban trends leads to improve understanding of market forces and the initiatives needed for San Francisco to compete effectively with other cities. Information generated by City government also aids private sector decisions, a benefit to the City's prosperity. There are many examples of gaps in trend information. The City has, for instance, no reliable information on rent levels in various neighborhoods or the degree of the housing vacancy.

The Department of City Planning could also be used to develop new and creative ways to fund infrastructure and other City needs. A recent example is the role the Department played in developing a sales tax program for transportation.

The City does not participate in any effective way in regional planning, as a full-service agency should do. The Director of Planning has written that "The Department devotes some time to regional affairs but only as individual projects require it" and that "for regional planning to be effective, the City must take (a) leadership role." Studies would be undertaken on the effects of regional change (e.g. the lengthening commute to the City; the loss of certain jobs to other parts of the region). The benefit would be more informed decision-making.

A full-service planning department would be equipped to provide planning services to other City departments. An example of this kind of activity, the Health Department desires to solve General Hospital's parking problems by constructing a new garage adjacent to the Hospital campus. Planning should take the lead in assembling an inter-departmental team to locate a site, revise zoning, resolve legal issues, establish costs, develop the garage perhaps through a public-private partnership, and determine what other uses on the site could help pay for the garage or meet other city objectives.

Finally, an area where full-service planning could be effective is in neighborhood liaison. Problem solving of the day-to-day kind (zoning changes, permit violations, traffic issues) is best done through direct contact with neighborhood leadership. With additional staff for this purpose, the follow-up so essential to solving problems of this nature would be assured, thus improving effectiveness and public confidence.

Functions of a Full-Service Planning Department

Listed, beginning on the following page in descending order from general to specific, are the responsibilities of a full-service planning department:

- Long Range Planning
 - Preparation and Periodic Update/Revision of the Master Plan and its Elements
 - Neighborhood Planning and Special Area Plans
 - Specific Area Improvement Plans
 - Plan Maintenance
 - Develop and maintain statistical information as measures of changing circumstances and conditions.

Examples are:

- Population characteristics
- Housing conditions and inventory
- Commerce and labor
- Transportation and traffic
- Development trends and patterns
- Environmental quality
- Land use charges
- Review Master Plan Elements and Policies and revise periodically to be responsive to changing circumstances, problems and opportunities.
- Planning for Specific Facilities or Features

Examples are:

- Great Highway Design
- Baseball Stadium
- Community Facilities
- Parks and Playgrounds
- Program Development for Plan Implementation
 - Drafting of revisions to the Zoning Code

Examples are:

- Neighborhood Commercial Zoning
- Residential Zoning
- Downtown Rezoning
- South of Market Zoning
- Rincon Hill Zoning
- Drafting Special Purpose Legislation
 - Examples are:
 - Open Space Acquisition & Development Fund
 - Transit Fee
 - Office Housing Production Program
 - Shadow Ordinance
- Coordination of City's Capital Budget
- Development of Programs for State and Federal Grants
 - Examples are:
 - Community Development Block Grant
 - Federal Transportation Funds (with MUNI)
 - State and Local Transit Funds
 - Others as they Become Available
- Planning Implementation
 - Administration of the Zoning Code (Including permit processing)
 - Administer CEQA as required by law.
 - Staff the Planning Commission
- Public Service and Public Information
 - Make the Master Plan, Special Area Plans and other plans available to the public and explain their meaning to community groups and individuals as appropriate.
 - Make statistical information and analysis available.
 - Population
 - Housing
 - Commerce
 - Transportation
 - Development Trends
 - Environment

- Assist applicants in understanding, interpreting and applying the Zoning Code to their particular proposals.

With respect to the delineation of the constituent parts of a full-service planning department as we have attempted to do above, and as brought out in the previous management audit report of the Planning Department, the Department has much work to do on the City's Master Plan, Planning Code, and providing planning for the City's neighborhoods.

CONCLUSION

The Department of City Planning has evolved into an organization primarily responsible for zoning decisions, reactive area and neighborhood planning, and support of special projects. The Department's present staffing and equipment are inadequate to handle all of its implementation responsibilities as well as its fundamental planning functions..

RECOMMENDATIONS

We recommend that the Director of Planning:

- Implement the recommendations of the Budget Analyst's management audit report of the Department of City Planning dated December, 1988. The implementation of those recommendations would assist the Department toward the objective of becoming a full-service organization.
- Develop and submit a FY 1990-91 budget request that would improve the Department's capabilities to that of a full-service planning department, as outlined in the body of this finding. The budget request should be submitted in the form of incremental budget packages with concrete statements of benefits to be achieved, along with cost estimates, and should include the controls that would be used to ensure that the benefits are realized.

BENEFITS/COSTS

The implementation of these recommendations would result in a Department of City Planning that would be capable of providing an enhanced level of services, depending on the enhanced resource level approved in the budget cycle. The cost would be dependent upon the level of service the City expects from its Department of City Planning.

SECTION 1.4: LACK OF RESPONSIVENESS TO
INFORMATION INQUIRIES AND TO
COMMITMENTS MADE.

CITY PLANNING STAFF ASSIGNED TO THE IMPLEMENTATION DIVISION ARE UNRESPONSIVE. IT IS OFTEN VERY DIFFICULT TO MAKE CONTACT WITH THE PERSON KNOWLEDGEABLE ON A PARTICULAR SUBJECT. THE DIVISION DOES NOT ALWAYS RETURN OR ANSWER TELEPHONE CALLS, RESPOND TO WRITTEN INQUIRIES, AND DOES NOT SUFFICIENTLY FOLLOW-THROUGH ON NECESSARY ACTIONS. IN ESSENCE, THE DIVISION'S LINES OF COMMUNICATION WITH THE PUBLIC ARE TOTALLY INADEQUATE.

Providing information in response to inquiries of a general nature concerning land use issues and more specific questions concerning particular projects, is a fundamental role of the Department of City Planning. That the current level of information services provided is completely inadequate was documented in the Budget Analyst's December, 1988, management audit report of the Department of City Planning. Cited therein are the facts that the information office is open only during the hours of 10:00 a.m. to 12:00 noon and 1:00 p.m. to 5:00 p.m., five days per week, the Department has not published an accurate and up-to-date zoning map, the response time to over-the-counter inquiries and telephonic inquiries can be as much as 50 minutes, etc. The conclusion and recommendations of the December, 1988 audit, concerning public information issues, are restated below.

Conclusion

Providing planning information to the public has not been a high priority in the Department of City Planning. Insufficient resources has been allocated to support public demand for timely and quality information. The Department must assign more permanent staff to the Information Office, improve response time to public inquiries and improve the quality of handouts and other information aids.

Recommendations

We recommend that the City Planning Commission:

- Set specific objectives for providing information services to the public and monitor progress on these objectives.

- Assist applicants in understanding, interpreting and applying the Zoning Code to their particular proposals.

With respect to the delineation of the constituent parts of a full-service planning department as we have attempted to do above, and as brought out in the previous management audit report of the Planning Department, the Department has much work to do on the City's Master Plan, Planning Code, and providing planning for the City's neighborhoods.

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Recommendations

We recommend that the City Planning Commission:

- Set specific objectives for providing information services to the public and monitor progress on these objectives.

- Establish 8:00 a.m. - 5:00 p.m. as the Information Counter's hours of operation.

We Recommend that the Director of Planning:

- Reallocate a minimum of two existing, highly qualified, full-time planners to the Information Office.
- Require all Departmental planners, including the Assistant Directors, to provide public information counter service for two to three hours each week.
- Have all written handout materials, including all of the various applications, reviewed for currency and legibility.
- Provide for the Information Manager to report directly to the Director for a period of one year.
- Rotate Information Office staff to regular staff assignments on a phased basis.
- Enhance the status of the Information Office and assignment thereto in every way possible.

Throughout the duration of this management audit we have been informed on numerous occasions of instances of lack of responsiveness to public inquiries on the part of the Department of City Planning. Concerns expressed range from the inability to contact the relevant planner on a question to broken commitments to render a decision on a land use case.

In addition to, and as a part of, the significant problems it has in delivering information and decisions to the public, the Implementation Division's management of incoming correspondence and control of responses is sorely deficient. The Division has a manual log for correspondence addressed to the Zoning Administrator, but it is used only sporadically. When asked about correspondence concerning the Gurdjieff Foundation (discussed below), we were informed that the manual log for the period in question could not be located. Although at least one Implementation Division unit, Violation Abatement, maintains its own correspondence logs, in general, responsibility for correspondence is not assigned to specific staff nor does management systematically check to determine whether correspondence has been responded to in a timely manner.

To illustrate the degree of deficiency in the Implementation Division's current information handling and lack of action in response to commitments made, we herein cite two instances of such occurrences. The first, in the form of a reporter's transcript of proceedings, relates the concerns of Commissioner Victor G. Makras, Vice President of the Board of Permit Appeals, as presented at the July 19, 1989, Board of Permit Appeals hearing. In his testimony,

Commissioner Makras relates a case involving the commitment of the Zoning Administrator to provide a response within two weeks, and the two weeks turned out to be 14 months. In another section Commissioner Makras relates his experiences in attempting to communicate with the Department of City Planning in trying to obtain a status report on a permit application. That experience included being hung up on twice, going through a series of six phone calls before determining the responsible planner's name he should contact, and, after leaving messages three times, being told that there was no one working in the Department by that name. The full text of Commissioner Makras's testimony is included in Appendix D..

The second illustration concerns a violation abatement case involving the Gurdjieff Foundation and the Monterey Heights Homeowners Association (MHHA), as related in a letter from the attorney for the MHHA to the Board of Permit Appeals. We make no judgements in regard to the legal or land use issues of the case, however, the case is illustrative of the frustration individuals and groups can encounter in dealing with the Implementation Division of the Department of City Planning. The case includes a chronology of letters and events during which over a time span in excess of two years, the MHHA attempted to obtain a zoning decision on the issues between the parties.

We have extracted from the MHHA letter to the Board of Permit Appeals the chronology of events as presented therein and present them below.

...In 1986 the MHHA commenced an effort to review the intensity and type of use of the Gurdjieff Foundation property at 85 St Elmo Way. The MHHA contended that changes in use and intensity required the approval of the board of permit appeals in the same manner in which any other change in any condition previously imposed upon a conditional use must be authorized. Unfortunately, the attempt to obtain review did not go smoothly. The following is an unbelievable chronology and synopsis of documents generated by the MHHA in the efforts:

1. May 15, 1986 - First letter from MHHA attorney to Robert W. Passmore ("Passmore") as Zoning Administrator requesting commencement of review of the activities of the Gurdjieffs (exhibit C);
2. June 23, 1986 - Follow-up letter from MHHA attorney to Passmore since nothing had been heard in response to the May 15, 1986 letter (exhibit D);
3. July 11, 1986 - Follow-up letter from MHHA attorney to Passmore citing extensive activity at the Gurdjieff Foundation and reminding that Passmore that no review had yet commenced (exhibit E);
4. September 18, 1986 - MHHA attorney letter to Passmore recounting the meeting with Passmore July 29, 1986 at which time the Gurdjieffs indicated that they would provide documents. Letter apprised Passmore that no documents had been received (exhibit F);

5. October 10, 1986 - MHHA attorney letter to Passmore requesting meeting with Passmore (exhibit G);
6. October 21, 1986 - MHHA attorney letter to Passmore extensively reviewing Gurdjieffs' position regarding intensity at use in 1978 (exhibit H);
7. November 21, 1986 - MHHA attorney letter to Passmore recounting October 21, 1986 meeting in Monterey Heights with Mr. Passmore at which time Passmore stated that a meeting would be held with all parties. A month had passed since the meeting and repeated telephone calls to Passmore had not produced the promised meeting (exhibit I);
8. February 18, 1987 - MHHA letter to Passmore once again requesting a meeting and enclosing conditions requested by the MHHA and imploring Passmore to act (exhibit J);
9. April 28, 1987 - MHHA attorney letter to Passmore including declarations from Monterey Heights residents in response to Passmore's request so that an opinion could be drafted (exhibit K);
10. May 22, 1987 - MHHA attorney letter to Passmore stating three weeks since the April 28, 1987 letter and still no word (exhibit L);
11. June 22, 1987 - MHHA letter to Passmore stating "another month has passed" and still no action (exhibit M);
12. July 14, 1987 - MHHA attorney letter to Passmore once again requesting the hearing be scheduled or that Mr. Passmore take some action (exhibit N);
13. August 6, 1987 - MHHA attorney letter to Passmore with all relevant documents enclosed and once again requesting that Mr. Passmore act (exhibit O);
14. October 23, 1987 - MHHA attorney letter to Passmore recounting that a hearing had been held on October 19, 1987 and enclosing one page of the October 26, 1966 minutes of a meeting between the Gurdjieffs and the MHHA (exhibit P);
15. March 21, 1988 - MHHA attorney letter to Passmore reciting that it had now been five (5) months since the hearing and still no opinion had been drafted (exhibit Q);
16. April 21, 1988 - MHHA attorney letter to Passmore commenting on an April 5, 1988 draft of an opinion (exhibit R);

17. August 2, 1988 - MHHA letter to Passmore recounting that it had been some two and one-half years since the MHHA effort had commenced and still no opinion had been drafted (exhibit S);
18. September 15, 1988 - MHHA attorney letter to Passmore with copies of transcripts of the October 1987 hearing. The City Planning Department had lost the transcripts. Note that it was almost one year after the hearing that they were finally getting around to reviewing the transcripts to write an opinion (exhibit T);

On November 1, 1988, Mr. Passmore finally issued his opinion letter which was earlier cited. The opinion letter specifically stated that any appeal would need to be filed within fifteen (15) days of the letter. Although not totally satisfied with Mr. Passmore's review, the MHHA decided not to appeal and to allow the opinion of Passmore to become the control standard for the continuing conditional use at 85 St. Elmo Way by the Gurdjieffs....

The Director of Planning recognizes that the Department has a serious problem in its information services/records maintenance function and has expressed the desire to allocate additional staff to the function. The staff resources we have recommended in Section 1.1 of this audit report include permanent staff of a manager, 4.31 FTE planner positions, a secretary, and a senior telephone operator. That allocation stands in contrast with the current allocation of a manager, one planner, one secretary, one senior telephone operator, and approximately 1.5 FTE rotational staff positions.

Aside from the staffing issue, members of the Department of City Planning need to be informed and continually reminded of the fact that the Department exists to provide public services and that what may seem to a telephone operator or to a planner as a question of little importance may have significant meaning to an applicant or other inquirer.

CONCLUSION

The lack of responsiveness to public inquiries by the Implementation Division of the Department of City Planning is an outrage. It is often very difficult to make contact with the person knowledgeable on a particular subject. Telephone calls go unanswered, written inquiries are not responded to, and actions committed to go unperformed. In essence, the Division's lines of communication with the public are out of control.

RECOMMENDATION

We recommend that the City Planning Commission and the Director of Planning:

- Implement the recommendations of the Budget Analyst's December, 1988, audit report concerning public information issues.
- Integrate responsibility for records management into the Planning Information Section.
- Inform and continually stress to all members of the Department the importance of polite and efficient service to the public.

BENEFITS/COSTS

Implementation of these recommendations would result in information being provided to the public that is accurate and timely. Resources required to enhance the public information and records management functions are included in Section 1.1, which contains all recommended Implementation Division resource allocations.

SECTION 2: BUILDING PERMIT PROCESSING AND ISSUANCE ISSUES

In San Francisco, a permit is required to construct a new building, alter or demolish an existing structure, erect signs, or perform any kind of excavation. As shown in the Introduction, a number of City departments may be involved in the permit application review and approval process depending on the type of work for which the permit is sought.

The number of building permits issued by specific type of permit for Fiscal Years 1986-87 through 1988-89 are as follows:

Table 11

Building Permits Issued FY 1986-87 through FY 1988-89

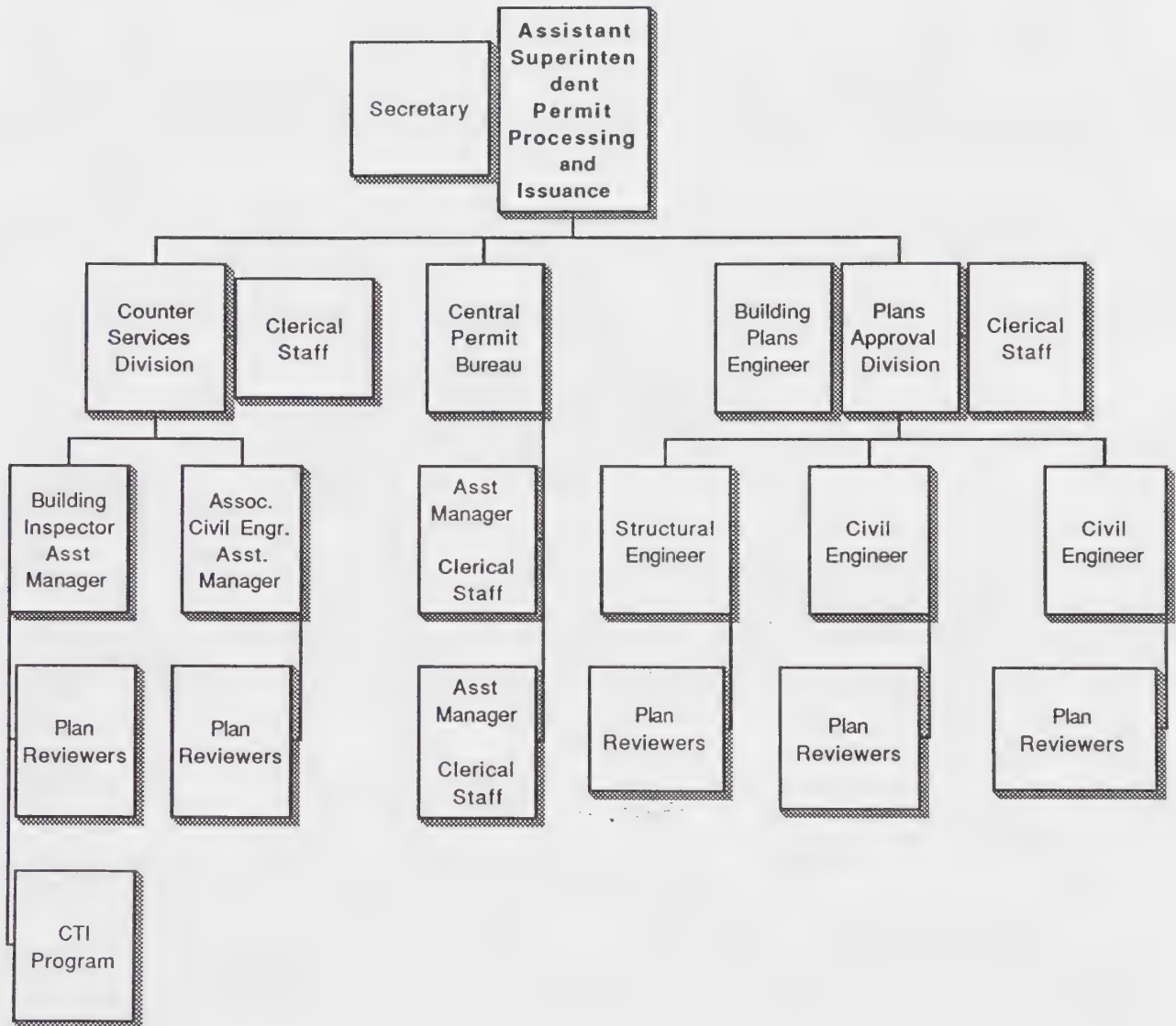
	<u>FY 86-87</u>		<u>FY 87-88</u>		<u>FY 88-89</u>	
	<u>#</u>	<u>%</u>	<u>#</u>	<u>%</u>	<u>#</u>	<u>%</u>
Form 1 New Buildings (Steel, Concrete)	48	0.30	43	0.27	44	0.22
Form 2 New Buildings (Wood)	451	2.82	419	2.66	339	1.66
Form 3 Alteration	9,140	57.16	10,151	64.36	10,128	49.65
Form 4 Erected Sign	570	3.56	545	3.46	523	2.56
Form 5 Excavation	6	0.04	9	0.06	7	0.03
Form 6 Demolition	209	1.31	187	1.18	127	0.62
Form 7 Non-structural sign	115	0.72	114	0.72	138	0.68
Form 8 Alteration (Over-the-counter)	<u>5,451</u>	<u>34.09</u>	<u>4,305</u>	<u>27.29</u>	<u>9,095</u>	<u>44.58</u>
Total	15,990	100.00	15,773	100.00	20,401	100.00

Permit Processing and Issuance is the Bureau of Building Inspection unit where the public files building permit applications and is responsible for issuing permits and collecting fees. This unit is also responsible for tracking permit applications and plans regardless of which City department has actual possession of the permit applications and plans.

An organizational diagram of the Permit Processing and Issuance Unit is shown on the next page. Following the organizational chart is a diagram that lists the primary functions of each of the three divisions within the Unit.

Exhibit 7

Bureau of Building Inspection Permit Processing Unit



PERMIT PROCESSING AND ISSUANCE UNIT

Counter Services Division Functions

1. Screen applications/
plans for completeness.
2. Accept applications
and plans for permit
processing.
3. Establish routing for
applications.
4. Review applications/
plans for compliance
with Building,
Mechanical, Housing,
and Energy Codes.
5. Approve applications/
permit plans for tenant
improvements and minor
remodeling work.
6. Answer general code
questions.

Central Permit Bureau Functions

1. Screen applications
for completeness.
2. Collect permit fees
for BBI and other
City Departments.
3. Issue Building,
Plumbing, and
Electrical permits.
4. Verify contractors'
licensing and
workers'
compensation
insurance.
5. Coordinate with the
PUC and SFUSD for
permits subject to
remodeling work.
6. Issue notices
of permits.

Plans Approval Division Functions

1. Review applications/
plans for compliance
with the Building,
Mechanical, Housing,
and Energy Codes.
2. Maintain special
inspection files.
3. Conduct pre-
application reviews.
4. Develop Building
and Mechanical
Codes.
5. Review and issue
product approvals.
6. Develop code rulings
and interpretations.
7. Approve applications/
plans for major
alterations and
new buildings.

Past Complaints Concerning Building Permit Processing

The quotation below, primarily concerning the plan checking aspect of building permit processing, is taken from a January 1987 document written by a coalition of individuals representing the Associated General Contractors (AGC), the American Institute of Architects (AIA), the Building Owners and Managers Association (BOMA), and the San Francisco Chamber of Commerce. That report covered permit processing overall and was addressed to the Bureau of Building Inspection.

"A REVIEW OF SAN FRANCISCO'S PERMIT APPROVAL PROCESS"

"Members of the Building Owners and Managers Association (BOMA) of San Francisco, the Associated General Contractors (AGC), the American Institute of Architects (AIA), and the San Francisco Chamber of Commerce have had extensive discussions recently regarding the continuing inefficiencies of San Francisco's permit approval process. These inefficiencies are particularly acute in the area of small tenant improvement jobs.

Previous attempts to streamline the procedure for gaining permit approvals have been largely unsuccessful. In fact, what is supposed to be an "over-the-counter" process is taking, on average, 5 to 6 weeks to obtain a simple permit.

The permit application and approval process is in fact so disorganized that it is not uncommon for applications and plans to get lost.

Delays occur for these apparent reasons:

1. The assistance provided to the general public is inadequate. Certain advice is sometimes taken as gospel, only to later have a plan checker reject a permit application that was completed in the manner advised by staff.
2. Preliminary guidance on major projects is seldom available, resulting in delays often critical to the project's timely completion.
3. There is no consistency with the interpretation of various code provisions. You can get three different answers from three different plan checkers on how to handle a particular problem. Often you'll find someone used to reviewing residential plans has been transferred over to review commercial plans; the unfamiliarity results in unusual interpretations of the code, or, a non-interpretation if the person can't be decisive and puts the application on the back burner....This abominable situation has caused many to avoid the permit application process altogether. If everyone used the process it would be even less functional. The risk to the city in not being able to issue tenant improvement permits in a timely manner is that tenant employers will

go elsewhere. Other large cities, like Los Angeles for example, are successfully issuing permits in 24 hours on small tenant alteration jobs; permits for major projects in L.A. are issued in the same amount of time that it normally takes for small, "cosmetic" jobs to be approved in San Francisco (about 4 to 6 weeks)."

The above cited report recommended specific actions to remedy the list of grievances, such as by retaining an outside management consultant to evaluate and suggest improvements to the City's procedure for processing permit applications, by appointing an ombudsman to oversee the entire permit approval system, and by providing an information desk to direct the public, provide checklists for frequently emphasized requirements, etc.

Actions Taken In Response to Complaints

The Bureau of Building Inspection has achieved significant improvements in its plan checking processes and procedures since receipt of the list of complaints. In addition to appointing a new Superintendent in June of 1987, the Department of Public Works and BBI have taken a number of steps as outlined in an action plan to improve performance in permit processing. Some of the results of those actions are listed below, :

1. Reorganized the Permit Processing and Issuance function. The reorganization consolidated the three BBI divisions concerned with permit processing under one program manager. A new manager was appointed to head the Counter Services Division.
2. Instituted a team concept with team leaders in the Plans Approval Division (PAD) for the purpose of improving the quality and efficiency of plans that are routed to PAD.
3. Developed a pre-application preliminary review procedure to inform developers, architects, and engineers about code requirements on plans prior to submission of permit application.
4. Created, in January, 1989, a special plan checking unit to process commercial tenant improvements (CTI). Turnaround time for applications meeting CTI specifications are normally approved within 24 hours.
5. Established a Public Services Division to provide general information to the public, oversee timely response to correspondence, expedite permits, and provide timely responses to complaints.

Permit Processing Performances

In order to determine the amount of time the various building permit processing agencies are taking to review such permits, we gathered sample data on ten "prototype" construction projects. We initially selected a sample of ten

permits for each prototype and expanded the sample size for seven prototypes that indicated the possibility of a problem area. A listing of those seven prototypes, the total processing time in days by the City from the date of application to the date of permit approval, the average processing time in days by the Department of City Planning (DCP) and the percentage of total processing time by City Planning is shown below.

Table 12

City Planning Permit Processing
Times Compared to Totals

	<u>Total Processing Time from Date of Application to City Approval</u>	<u>Average Time of DCP To Process Permit</u>	<u>Percent DCP Processing Time to Total Time</u>
Restaurants	66.5	17.6	26.5%
Hi Rise Alterations	30.2	8.1	26.8%
1 and 2 Unit Horizontal Extension	100.4	49.8	49.6%
1 and 2 Unit New Construction	257.7	132.6	51.5%
Demolition	98.0	66.9	68.3%
Hi Rise New Construction	589.6	438.3	74.3%
5 or More Unit New Construction	214.9	194.6	90.6%

Our sample of permits for one and two unit horizontal extensions included permits issued as recently as July 1989. In other sections of this report we explain how recent changes in processing of these permits by DCP have increased the complexity and processing time. Accordingly, since our sample included permits issued based on the earlier less complex requirements the sample is believed to understate the current processing time by DCP for this type of permits.

Based upon our analysis of these seven prototype permits, the processing time by City agencies other than the Department of City Planning, based both on independent judgement and compared to other jurisdictions, appeared reasonable. Further, our review of three other prototype permit types (Commercial Alteration, Minor Residential Remodel and 5 or More Unit Residential Alteration), which are not normally processed by City Planning, did not disclose processing times that we judged to be unreasonable.

The sections which follow discuss various aspects of building permit processing.

SECTION 2.1: PERMIT APPLICATION PROCESSING IN THE BUREAU OF BUILDING INSPECTION

THE CENTRAL PERMIT BUREAU AND THE COUNTER SERVICES DIVISION OF THE BUREAU OF BUILDING INSPECTION ARE JOINTLY RESPONSIBLE FOR THE INITIAL PROCESSING OF PERMIT APPLICATIONS IN THE DEPARTMENT OF PUBLIC WORKS. HOWEVER, THE CENTRAL PERMIT BUREAU AND THE COUNTER SERVICES DIVISION HAVE NOT EFFICIENTLY DIVIDED THEIR WORK AND THEY DO NOT EFFICIENTLY UTILIZE THE AUTOMATED PERMIT TRACKING SYSTEM. AS A RESULT, TASKS ARE DUPLICATED, STAFF AND COMPUTER RESOURCES ARE WASTED AND PUBLIC SERVICES ARE IMPAIRED. BY REASSIGNING CLERICAL STAFF RESPONSIBILITIES AND REVISING OPERATING PROCEDURES TO ELIMINATE UNNECESSARY DUPLICATION, SERVICE TO THE PUBLIC WOULD BE IMPROVED AND THE BUREAU WOULD AVOID COSTS OF APPROXIMATELY \$27,550 ANNUALLY.

The Central Permit Bureau (CPB) and the Counter Services Division (CSD) are jointly responsible for the initial intake and processing of permit applications and issuance of permits within the Bureau of Building Inspection. These responsibilities include assisting the applicant in completing the application, conducting preliminary plan checks to determine whether or not an application can be accepted for review and approval, and calculating and collecting of permit fees. However, our investigations revealed that the clerical and professional staff of the two divisions duplicate essential clerical tasks related to assisting applicants at the counter in the permit application process, and perform tracking functions that BBI's Permit Tracking System is designed to perform. We found:

- CSD inspectors assigned to the counter assist the applicants in filling out the permit applications, a task which is clerical in nature and inappropriate work for inspectors given their training in plan review and engineering design. CPB clerks duplicate this assistance when the applicant pays the permit fees.
- Two CSD clerks log plans in and out of various plan check stations on the Permit Tracking System, even while the individual plan checkers and engineers maintain their own manual logs.

This results in wasted clerical and professional staff time that could be better allocated to application screening and plan review, respectively.

While the Superintendent of BBI, in general, agrees with this section, the Superintendent has pointed out that the Bureau tried to implement a plan similar to that recommended here that was not successful because of insufficient staff and computer resources, and limited space. However, the Superintendent reports that once the new Construction Service Center is built on the ground floor of their building at 450 McAllister and they implement the proposed automation system as described in Section 5.3, the Permit Processing functions of the Counter Services Division and the Central Permit Bureau can be reorganized.

CSD and CPB Staffing and Responsibilities

The CSD is responsible for screening all permit applications for completeness and clarity prior to acceptance. CSD also reviews and approves most alteration applications and plans having no more than minor structural work. Currently, CSD reviews approximately 85 percent of all applications requiring plan checks. The remaining 15 percent, consisting of larger scale plans/applications, are assigned to the Plans Approval Division. Currently, CSD is staffed with 16 authorized positions, consisting of a manager, three clerical staff and 12 plan-reviewing staff.

The CPB is responsible for collecting all fees related to the building permit application and issuing permits. CPB has 15 authorized positions consisting entirely of clerical staff. The Division's primary responsibilities are:

- Collecting fees for building permits, plan checking, electrical permits, plumbing permits and various other permits.
- Collecting fees and other revenues for the Fire, Public Works and City Planning Departments.
- Entering permit application information into BBI's Permit Tracking System.
- Working with the Public Utilities Commission and the School District to determine permit applications that require Transit Impact Development Fees and San Francisco Unified School District Fees, respectively.
- Notifying applicants of the approval of their permit, and processing the issuance of the permit.
- Assigning house numbers for new buildings, changes or additions.

- Mailing permit application extension or cancellation notices.
- Posting signs at construction sites to give neighbors notice of construction.

While CPB's current authorized staffing level is 15 full-time clerical positions, the Division was operating with a total of 12 filled positions as of July 1, 1989. The CPB manager reports that three vacant positions were recently filled, but that the Division has accumulated a backlog of unfinished work that amounts to approximately 610 hours, as of June 21, 1989. Under normal staffing levels, half of the clerical staff (seven clerks) are available for assisting applicants at the counter while the other half perform their specific desk responsibilities. This arrangement is rotated once each day. Because CPB was short three staff positions, individual desk responsibilities were sacrificed in favor of keeping the counter fully staffed.

For the month of June, 1989, CPB staff worked a total of 217.5 overtime hours to reduce some of the accumulated backlog to a manageable level. The Division also received assistance from high school students through a summer jobs program. With the filling of the three vacancies, the CPB should be able to reduce the backlog.

Initial Screening

To apply for a permit, an applicant completes a permit application and waits for assistance from a counter inspector assigned to the CSD. These inspectors normally perform plan checking on plans undergoing review but are assigned counter duty on a rotational basis. Counter duty consists of assisting the applicant with the permit application and conducting preliminary plan checks to determine whether or not an application and plans can be accepted for review and approval. During our visits to the CSD, we found several instances where the counter inspector actually filled out the application for the applicant. Assisting the applicant in filling out an application is a clerical task in nature and is an inappropriate use of an inspector's time given their training in plan review and in some cases engineering background. The counter inspector screens the application for any additional information that may be needed and provides a cursory review of any attached plans for completeness and determines the plan checking station requirements. Some permit applications such as re-roofing, window repair or replacement, or interior remodeling, can be approved "over-the-counter."

The applicant is then directed to CPB. According to the CPB manager, CPB clerks essentially "re-screen" the permit applications, because the CSD counter inspectors do not always detect missing information that is required for acceptance of the application. Copies of the permit application and the payment receipt are given to the customer. At a

later time, CPB enters pertinent permit application information into the Permit Tracking System.

The CSD manager has also stated that the counter inspectors complain about the clerical nature of assisting the applicant to fill out the permit application, especially when their time would be better spent performing plan checking and determining the various requirements that the permit application/plans must satisfy.

The CPB manager and other BBI administrators have expressed the idea of establishing another classification of CPB clerks called "Permit Technicians." Permit Technicians would perform the initial intake and screening of permit applications at the counter and would assist the customer in filling out the permit application. The Permit Technician would then determine whether the application was an "over-the-counter" type of application or whether a counter inspector would have to perform a preliminary plan check to determine further plan check requirements. The use of Permit Technicians would also enable counter inspectors to concentrate on plan checking and determining the application's plan check station requirements for approval.

The Assistant Superintendent for Administration has stated that a proposed classification of Permit Technician would assume a greater level of skill and qualifications in comparison to a Clerk Typist or Senior Clerk Typist. Several BBI administrators have described the Permit Technician as a paraprofessional in plan checking. If a Permit Technician classification is added to BBI's staffing organization, the use of a Permit Technician would eliminate the need for plan checkers to staff the counter and thereby reduce the cost of providing a plan checker at the counter. This reduction in cost would be offset by the increase in salary attributed to the Permit Technician classification. Such a classification would require a Civil Service study to confirm that the actual work required greater level of skills and qualifications. In the absence of a Civil Service study, Clerk Typists and Senior Clerk Typists could presently perform counter work that is only directly related to assisting the customer in filling out the permit application. The counter inspector would be available to determine the specific plan check requirements and review the completed applications.

Some of the permit applications are relatively simple and do not require a plan check by an inspector. These "over-the-counter" applications could be processed entirely by clerical staff, rather than having counter inspectors spend time assisting the "over-the-counter" customer in filling out the permit application. Such "over-the-counter" applications include reroofing, window repair and replacement, and some types of interior remodeling. In fact, most re-roofing permit applications are mailed in and are processed entirely by clerical staff with no inspector assistance. Since "over-the-counter" applications need only be processed by clerical staff, an "express" window for "over-the-counter" type applications should be established using CPB clerks.

After CPB enters the permit application information into the computer, the plans and application are routed back to CSD for plan checking and routing to other review stations. CSD is responsible for determining the proper routing of the application and plans to the various review stations, such as Building Inspection Division, Fire, Health, and City Planning Departments.

Once each of the review stations has reviewed the application and plans and they have been returned to CSD, CSD clerks screen the application for all approval signatures and send the application to CPB for collection of any additional fees and issuance of the permit. CPB also verifies approval signatures. If the application does not have all of the necessary approval signatures, then CPB returns the application to CSD and does not collect the final fees nor issue the requested permit(s). As with the initial screening of the permit application, CSD and CPB clerks duplicate each others work in the screening of approval signatures. The Superintendent of BBI has responded that the duplication is necessary to ensure accuracy in the application approval process, especially in the absence of an adequate automated system.

Permit Tracking System

The primary resource used to track the permit application and the status of permits is the BBI's automated Permit Tracking System. Implemented in October of 1981, the Permit Tracking System is designed to track the status of permit applications, automatically calculate permit and other fees, track construction inspection, track code violations and abatement and provide management information. While the Permit Tracking System is designed to simplify the tasks of BBI staff and in the process increase the productivity of permit processing and issuance, the Central Permit Bureau and the Counter Services Division do not always utilize the Permit Tracking System in the most efficient manner.

The Permit Tracking System is also designed to assist BBI staff in monitoring the routing and status of a permit application or an actual permit. The permit applications themselves contain specific routing instructions for processing the application. The Permit Tracking System is used to keep track of the review status of the application. To ensure the accuracy of the system, any work performed on a particular permit application must be logged into the computer upon initial receipt and logged out upon completion of the work. Work routed to a particular work station, such as Plans Approval Division, must be logged out to that particular work station.

However, plan checkers and inspectors often keep their own manual logs of the plans they have reviewed and then return the applications and plans back to the clerks in CSD for logging into the computer system. The

CSD clerical staff end up logging in the permit application status into the computer when the plan checkers themselves could log the status into the computer instead of maintaining a manual log. Clerks within CSD also maintain individual manual logs which duplicate the information previously entered into the computer. The clerks have stated that they keep these manual logs in order to respond to telephone requests from the public when the computer system is down for maintenance. However maintenance time is usually minimal and occurs at hours outside of the usual working day.

Often, the various plan checking stations including the Fire Department, City Planning, and the Plans Approval Division, do not route the applications and plans to the next appropriate department as determined by the routing instructions, but instead send the applications and plans back to CSD. CSD must then re-route the applications and plans back to the appropriate department and log in and log out the routings in the computer. Sending the plans back to CSD instead of sending them directly to the next department adds to the delay in processing the permit application and creates nonproductive work for the clerical staff in CSD. These clerical staff could be reallocated to more important tasks related to permit processing and issuance.

Presently, three Senior Clerk Typists are assigned to CSD. Two of the three clerks devote time equivalent to one FTE to logging plans in and out of various plan check stations and checking plan approvals. However, our workload analyses discussed in Section 5.1 indicate that CSD requires four positions including the two clerk positions performing redundant work. The one FTE could be eliminated if redundant manual logs were eliminated and plan checkers directly logged out and routed the plans to the next appropriate plan check approval stations. The existing CSD Senior Clerk Typists could begin performing work not currently being done and reduce CSD's need for additional clerical positions by one. Based upon current bi-weekly salary and associated fringe benefit rates, the elimination of one required clerk typist position would result in an avoided cost of approximately \$27,550 annually.

The current process does not efficiently utilize the Permit Tracking System for one of its intended purposes, to trace the current status and location of permits and permit applications. Rather, the Permit Tracking system is utilized as a backup system with individual manual logs being the primary source of reliance. As a result, clerical staff time is wasted in logging plans in and out of CSD repeatedly. BBI staff contend that the Permit Tracking System is slow and cumbersome to use. Given our review of BBI's operation, we concur with this opinion. Section 5.3 of this report addresses BBI's automation needs. Though it could be improved, the Permit Tracking System is useful and can provide needed information on the status and location of permit applications and actual permits. The slowness of the Permit Tracking System does not justify the duplicate manual logs when the information itself is typed into the System.

Combining CSD and CPB permit application processes

CSD and CPB work closely in the permit application process, and often, as we have found, perform tasks that are redundant, waste staff resources, or do not effectively use the Permit Tracking System. Given that the two divisions work closely in the permit application process, Permit Processing and Issuance would operate more efficiently if the two divisions consolidated their separate permit application processes related to the counter into one coordinated process that would be the responsibility of the CPB. The CPB clerks would be responsible for lending initial counter assistance to customers, collecting the filing and plan check fees reviewing plan check approvals on applications that have been processed, and performing other clerical tasks currently carried out by both CSD and CPB. The inspectors in CSD would continue to staff the counters on a rotational basis, conduct initial plan reviews and inspect the applications for completeness, but would only oversee the applications assistance by the clerical staff. This would allow the inspectors to allocate more of their time to plan checking and reduce the amount of clerical work they now perform.

CONCLUSION

The processing of permit applications for BBI requires a coordinated effort between CSD and CPB. However, the two divisions perform duplicative procedures and tasks and utilize the automated Permit Tracking System inefficiently. More specifically:

- Counter inspectors and clerks from CSD and CPB perform duplicative screening procedures during the application process.
- CSD clerks log plans in and out of the Permit Tracking System while Plan Checkers keep duplicative manual logs.
- Plan check stations do not always route plans directly to the next plan check station but instead route the plans back to the CSD clerks who then must log the plans in and out of the computer to the correct plan check station.

Consolidating the Counter Services Division and Central Permit Bureau counter related permit application processes would utilize the two division's clerical staff resources more efficiently and provide more coordination at the counter.

RECOMMENDATIONS:

The Budget Analyst recommends that BBI:

- Consolidate the Counter Services Division and the Central Permit Bureau counter related permit application processes, and delegate to the Central Permit Bureau clerical staff the responsibility for providing the initial assistance to the customer and screening of applications.
- Provide separate "express line" services using clerks for over-the-counter permit applications, and conventional counter service with clerks for applications that require counter-inspector review.
- Reduce the number of daily logs kept by the various clerical and plan checking staff. Such logs are not needed given that the same information is on the Permit Tracking System.
- Direct plan checkers and inspectors from the various divisions to log in and out of the Permit Tracking System directly and route the plans and applications to the appropriate review station.

BENEFITS / COSTS

The implementation of these recommendations would result in the more efficient utilization of clerical staff resources and improved public service, and would result in an avoided cost of approximately \$27,550 annually.

SECTION 2.2: STATE-MANDATED INFORMATION AND NOTIFICATION REQUIREMENTS

STATE LAW REQUIRES PUBLIC AGENCIES TO COMPILE LISTS OF INFORMATION NEEDED IN ORDER TO PREPARE A COMPLETE APPLICATION. STATE LAW ALSO REQUIRES PUBLIC AGENCIES TO DETERMINE AN APPLICATION'S COMPLETENESS WITHIN 30 DAYS OF RECEIPT. THE BUREAU OF BUILDING INSPECTION'S LIST IS OUTDATED, DOES NOT CONTAIN REQUIRED INFORMATION AND IS NOT READILY ACCESSIBLE TO THE PUBLIC. IN ORDER TO CIRCUMVENT THE 30 DAY REQUIREMENT OF STATE LAW, THE BUREAU OF BUILDING INSPECTION INAPPROPRIATELY URGES CLIENTS TO SIGN A WAIVER OF THIS RIGHT AT THE TIME OF APPLICATION, EVEN THOUGH IT HAS ALREADY DEVELOPED PROCEDURES FOR COMPLYING WITH THE LAW. BY DEVELOPING AND MAINTAINING A COMPLETE LIST OF INFORMATION NECESSARY FOR THE PREPARATION OF A COMPLETE DEVELOPMENT APPLICATION AND INFORMING THE PERMIT APPLICANT OF ANY NEW LAWS AND REGULATIONS THAT MAY AFFECT THE APPLICANT'S PROJECT, THE BUREAU OF BUILDING INSPECTION CAN COMPLY WITH STATE LAW.

Review and Approval of Development Projects

Chapter 4.5, Review and Approval of Development Projects of the State Government Code, specifies time limits that all State public agencies, including charter city agencies, must meet concerning the approval of development projects. Development projects are defined as,

"Any project undertaken for the purpose of development. Development project includes a project involving the issuance of a permit for construction or reconstruction but not a permit to operate."

Time Limitations on Review of Applications for Completeness.

Section 65940 of the State Government Code specifies that each agency shall compile one or more lists which specify in detail the information that will be required from any applicant for approval and issuance of a permit for a development project. Each local agency is required to include in the list of information required from an applicant a certification as to whether the proposed project site is included in the State Department of Health Service's list of hazardous waste and other sites and the State Water Resources Control Board's list of various storage and other facilities.

BBI has compiled a summary list of information, but that list is not easily visible and available to the public. Copies of the summary list can be found buried in one of the drawers behind the CSD counter. Brochures that assist the applicant in assembling the necessary information for a permit application are four years old and need to be updated. Furthermore, the current list does not include the certification requirement related to the State Department of Health Service's list of hazardous waste and other sites and the State Water Resources Control Board's list of various storage and other facilities. If the list were made more available to the public, permit applicants would gain a better understanding of what information is necessary for complete application package and would be more likely to submit the required information the first time in their permit application.

Section 65940.5 specifies that no list described in Section 65940 shall include a waiver of any time period limitations related to the timely review of an applicant's permit application for a construction project. Additionally, no application can be declared incomplete because it lacks such a waiver of time periods.

Section 65943 specifies that applicants for development projects be notified not later than 30 calendar days after an agency has received a development application whether the application is complete. If the written determination is not made within 30 days after receipt of the application, and the application includes a statement that it is an application for a development project, the application shall be deemed complete for purposes of this chapter. Upon receipt of any re-submittal of the application, a new 30-day period shall begin. This section also requires that a process be made available for the applicant to appeal determinations that an application is not complete.

Currently, when the applicant applies for a permit with CSD, the clerk or counter inspector coerces the applicant to complete a "Waiver of Time Restriction on Requests for Additional Information." The waiver releases the City and County of San Francisco from complying with the time limit for determining the completeness of a permit application as specified in Section 65943. BBI reports that customers are "strongly discouraged" from not signing the waiver. In one instance, we observed a clerk at the counter handing the applicant a waiver form and informing him that he must sign the waiver. In several other instances, the

clerk asked the applicants to sign the waiver but did not inform the applicant what they were signing.

If the applicant refuses to sign the waiver, BBI routes the application and plans to the various plan check stations for determination of completeness within 30 days. A review sheet is prepared showing all of the elements of the application that are complete as well as incomplete. At the end of the review, the review sheet is mailed to the applicant. However, the review does not mean that the application has been approved for permit issuance. The manager of CSD has reported that BBI has not had a problem complying with the 30 day rule, even when the applicant refused to sign the waiver.

The Department of City Planning has developed a Case Tracking System that, among its various abilities, can track and monitor cases which are subject to Section 65943 of the Government Code. However, the Zoning Administrator has stated that City Planning does not have the staff resources to keep computer record of and monitor the status of permit applications to determine if they are conforming to the 30 day limitation specified in Section 65943. Consequently, the Department of City Planning does not know whether they comply with the mandates of this law, nor does it keep the necessary data.

Notification of applicant of changes in rules, regulations, or ordinances.

Sections 65945.0 through 65945.5 of the State Code also require that at the time of application filing, the permit applicant be informed of:

- Any pending proposals to adopt or amend a general plan, specific plan, zoning ordinance, or ordinance affecting building permits or grading permits.
- Any pending proposal to adopt or amend a rule or regulation affecting the issuance of development permits.
- Any pending proposal to adopt or amend a rule or regulation affecting the issuance of development permits and which implements a statutory provision.

Based upon discussions with the manager of CPB, BBI does not currently inform the applicant of these options, pursuant to Sections 65945.0 through 65945.5 of the State Government Code.

CONCLUSION

The Bureau of Building Inspection does not comply with all State law requirements concerning the provision of lists of information and their disclosure of information to the applicant. Specifically, BBI:

- Has not updated its list of required information to include certification of hazardous waste sites or other sites as defined in Section 65940 of the State Government Code, nor does it make the compiled list of information readily available or accessible to the public.
- Unnecessarily convinces customers to sign a Waiver of Time Restriction on Requests for Additional Information even though the customer is not required to sign a waiver as part of the application process.
- Does not inform applicants of their right to receive notice of pending proposals related to zoning, building, grading, or development permits pursuant to the State Government Code.

In addition, the Department of City Planning does not monitor any of the applications it receives and processes that are subject to the 30 day limitation in Section 65943 of the Government Code. As a result, the Department does not know whether they comply with Section 65943 of the State Government Code.

RECOMMENDATIONS

The Budget Analyst recommends that:

- Bureau of Building Inspection provide an updated list that specifies in detail the information that will be required from any applicant for a development project, and make this list readily available to the public.
- Bureau of Building Inspection abolish the waiver of the 30 day time limit since they are presently able to comply with the law.
- Bureau of Building Inspection inform the applicant at the time of filing that they can make a written request to obtain information on pending proposals pursuant to Section 65945.0-65945.5 of the State Government Code.
- The Department of City Planning use the Case Tracking System to monitor the status of cases subject to Section 65943 of the State Government Code and in accordance with the personnel recommendations in Section 1.1 of this report.

BENEFITS / COSTS

Implementation of the above recommendations will bring BBI and the Department of City Planning into full compliance with the State Government Code and would better inform permit applicants of their rights and responsibilities in submitting permit applications.

Note: BBI dropped the use of the waiver as of September, 1989.

SECTION 2.3: SYSTEM MANAGEMENT AND ORGANIZATIONAL RELATIONSHIPS

THE DEPARTMENT OF CITY PLANNING AND THE BUREAU OF BUILDING INSPECTION ARE BOTH KEY AGENCIES GOVERNING DEVELOPMENT IN THE CITY. THEY BOTH MUST REVIEW MUCH OF THE SAME INFORMATION IN PROCESSING APPLICATIONS. THE TWO ORGANIZATIONS SHOULD BE COMBINED INTO A DEPARTMENT OF CITY PLANNING AND COMMUNITY DEVELOPMENT, BENEFITING THE CITY BY IMPROVED PERMIT PROCESSING, IMPROVED ADHERENCE OF CONSTRUCTION TO PLANS, AND IMPROVED CODE ENFORCEMENT. MOREOVER, THE DEPARTMENT OF CITY PLANNING AND THE BUREAU OF BUILDING INSPECTION EACH HAVE STRENGTHS THAT COULD BE USED TO ENHANCE THE OPERATION OF THE OTHER.

The Department of City Planning is headed by the Director of Planning, who is selected and retained by the Planning Commission. The Planning Commission consists of seven members, five appointed by the Mayor and two statutory members, the Chief Administrative Officer (CAO) and the General Manager of the Public Utilities Commission. The CAO and the General Manager, Public Utilities Commission, are normally represented by a member of their respective staffs. With the exception of the Director of Planning and the Commission Secretary, all of the City Planning Department's positions are filled by Civil Service employees. The Department is funded by the General Fund and has 92 positions funded in the FY 1989-90 budget, not including the five appointed Planning Commissioners. An additional six unfunded positions have been put on reserve, three of which are pending the completion of this management audit and public hearings on the City's building permit process, and three for the implementation of an affordable housing program.

The Bureau of Building Inspection (BBI) is headed by a Superintendent who reports through the City Engineer to the Director of Public Works. The Director of Public Works reports to the Chief Administrative Officer. The Bureau of Building Inspection has 216 positions funded in the FY 1989-90 budget and is funded through its own Building Inspection Special Fund. All BBI staff members are Civil Service employees.

The mission statements of the two organizations are as follows:

The mission of the Bureau of Building Inspection is to safeguard life and limb, health, property, public welfare and public safety. This is accomplished by enforcing and implementing local, state, and federal laws regulating and controlling the design, construction, quality of materials, use and occupancy, location, and maintenance of buildings and structures within the City of San Francisco.

The mission of the Department of City Planning is to assure the orderly development of the City and County of San Francisco as a whole. This purpose is mandated by the City Charter, state law, and local ordinances or administrative codes. For example, Section 3.524 of the City Charter states:

"It shall be the function and duty of the City Planning Commission to adopt and maintain, including necessary changes therein, a comprehensive, long-term, general plan for the improvement and future development of the City and County, to be known as the master plan. The Master Plan shall include maps, plans, charts, ... which together present a broad and general guide and pattern constituting the recommendations of the Commission for the coordinated and harmonious development, in accordance with present and future needs, of the City and County and of any land outside the boundaries thereof which in the opinion of the Commission bears a relation thereto."

Comparison of Functions

Simplistically, and moving from left to right, project development can be viewed as the process of successfully satisfying the requirements of the various principles, policies, and rules of the documents, codes, and activities shown on the continuum below, culminating in the award of a Certificate of Final Completion:

Master Plan	Area Plans	Planning Code ¹	Construction Codes	Construction Inspections	Certificate of Final Completion
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¹Section 5 includes the Neighborhood Conservation Interim Controls (NCIC).

The first three documents are the responsibility of the Planning Commission and, functionally, are guides to planning activities. The planning considerations are multifaceted: 1) Is the proposed project in accordance with the Master Plan and appropriate specific plans?; 2) Is the proposed project in accordance with the priority policies stated in Section 101.1 of the Planning Code (Proposition M Priority Policies) and with the zoning for its location?; 3) Is the proposed project subject to conditional use or other special requirements?; ... and finally, What is community sentiment about the proposed project? The Planning Code and the Construction Codes are also planning documents in that they serve to guide and constrain what applicants must submit as a part of the permit application and building plans.

From the standpoint of managing the process diagrammed above, planning begins with the Master Plan provisions and terminates with issuance of a building permit. Control begins with the first scheduled inspection and terminates with issuance of a Certificate of Final Completion and Occupancy (a Certificate of Completion and a separate Permit of Occupancy for apartment buildings and hotels). The control function is primarily concerned with two issues: 1) Is the construction structurally safe?; and 2) Does the construction conform to approved plans?

Both DCP and BBI require, as a condition of issuance of the Certificate of Final Completion and Occupancy, conformance of construction to approved plans and to safety of construction. The latter is of paramount interest to the Bureau of Building Inspection and the former to City Planning. BBI's Construction Inspection Division is the principle control organization for what is built in the City, and their orientation is to safety of construction. By combining the two organizations, their orientation would be broadened to give more impetus to concern for Planning Code issues.

Improved Permit Processing

Building permit processing in the larger sense that includes inspection is the primary responsibility of the Superintendent, Bureau of Building Inspection. With respect to processing permit applications, the Fire Department, the Department of Public Health, and the Department of City Planning also review permit applications coming under their respective purviews.

Staff members from the Fire Department and Public Health are physically located within BBI to insure coordination with BBI. Our review of their permit processing procedures shows that they are effectively discharging their permit processing responsibilities. A 1966 Charter amendment requires that:

The Bureau of Fire Prevention and Public Safety shall detail to the Department of Public Works such personnel as necessary to review and check plans relative to requirements of the Fire Code and shall report any particulars of non-compliance to the Director.

The Department of City Planning, which reviews a higher percentage of building permit applications than does the Fire Department, has not allocated staff to BBI for the purpose of reviewing the zoning, design, and use implications of such applications; they remain a completely independent entity responsible only to the Director of Planning and the Planning Commission. The fact that both BBI and City Planning are located in the City Hall Annex assists in coordinating the review of permit applications, but the fact that BBI's plan reviewers are on the first and second floors and City Planning's plan reviewers are on the fifth floor causes problems in the coordination of the physical movement of plans as well as coordination of concerns about substantive plan issues. Further, there has been insufficient cross-training between the organizations.

Combining the Department of City Planning and the Bureau of Building into the single entity would significantly enhance the objective of a single system manager for building permits processing. Space arrangements could be affected to collocate the plan checking and information dissemination units of both organizations. Further differentiation into plan checking teams composed of City Planning and BBI staff members and based on location, type of development, or other basis could be effected.

Our belief is that public service would be significantly improved, in terms of quality of plan checking and turnaround times for the review of plans, by consolidating BBI and City Planning into a single department.

Improved Conformance of Construction to Plans

Section 3.3 of this audit report contains our findings on the problem of construction deviations from approved building plans. In general, BBI inspectors are very much concerned with the safety aspects of construction and are meticulous in applying the strictures of the Building, Electrical, and Plumbing Codes with respect to safety. They are sometimes less meticulous in requiring that all aspects of the construction conform to building plans.

As an example, in the treatment of residential bay windows, plans approved by City Planning may permit two separated bay windows extending from the face of the building. However, as has occurred, BBI may allow the windows to be joined in one large extension from the face of the building, as approved by BBI, causing the front of the building to appear more massive than deemed appropriate by City Planning staff.

In its efforts to restrict the possibility of conversion of residential space to illegal dwelling units, City Planning will approve plans reflecting placement of stairs, doorways, extra rooms, etc., only to determine that the construction has been altered to facilitate conversion of space to an illegal use. The question of safety is not the issue. The issue is that some building inspectors are not always aware of or sensitive to the concerns of the Planning Department in assuring that construction conforms to plans.

We believe that a Department of City Planning and Community Development with single management could attain the necessary concern for the provisions of all Codes dealing with development in the City.

Improved Code Enforcement

Section 3.1 of the Budget Analyst's December, 1988, audit report of the Department of City Planning, provides a description of the violation abatement function within the City Planning Department, discusses the violation abatement workload and some of the problems attendant thereto, and recommends that the Director of Public Works, the Director of Planning, the Zoning Administrator, and the Superintendent of the Bureau of Building Inspection:

"Jointly sign a letter of agreement detailing performance responsibilities, training, and other administrative and operational issues to effect the coordinated and efficient delegation of powers to the Bureau of Building Inspection for investigative and related aspects of enforcing the Planning Code pertaining to zoning and other violations."

We believe that there is the potential to greatly enhance the effective abatement of Planning Code violations by training and using BBI's inspectors to locate such violations and respond to notification of such violations. We also believe that the single department, responsive to a single director who would be responsible for enforcing both the Building Code and the Planning Code, would further enhance the enforcement of those Codes.

As stated in Section 3.1 of the referenced management audit, the Planning Department has a total of five staff members assigned to violation abatement. That staff is backlogged to the extent that hundreds of reported zoning violations have not been input to the computerized Complaint Tracking System. Currently, Violation Abatement staff are processing building permit applications in response to violation notices that were filed in excess of 10 months ago. According to the Zoning Administrator, the Planning Department's Violation Abatement staff, with some exceptions, is not even accepting notifications of violations of Planning Code.

The Zoning Administrator estimates that at least 95 percent of the backlogged violation abatement cases involve both a Planning Code violation and the violation of another City Code, such as the Fire Code, but more often, the Building Code. The Bureau of Building Inspection has approximately 42 building and housing inspectors, plus additional electrical and plumbing inspectors, who could be used to assist in abating Planning Code violations. Those resources could be used to enforce all Codes currently administered by the Planning Department and BBI most effectively by a unified department of single leadership.

Funding Plan Checking

Legislation was passed by the Board of Supervisors in July, 1988, which established a Building Inspection Special fund and specified that revenues generated from building permit and related fees can only be used to recover the costs associated with such fees. In lieu of the separate plan check fees currently collected by the City Planning Department for its building permit processing, a single fee could be collected to include the costs of staff and equipment now employed by City Planning for plan checking, as well as for BBI's services. This arrangement would insure that fees obtained due to the permit plan checking services of City Planning would be used only to fund resources used for that purpose.

Within the proposed Department of City Planning and Community Development would be two primary segments - the largest segment would be funded by the Building Inspection Special Fund and consist of the current BBI staff plus those City Planning elements involved in building permit processing. The remainder of the Implementation Division would be financially supported by the fees the Division generates, as enumerated in Section 1.1. The Plans and Programs Division and a portion of Department Management would continue to be supported by the General Fund.

Funding City Planning staff positions associated with the approval of building permits through the Building Inspection Special Fund would allow a level of staffing commensurate with the needs of the public for such services. As discussed in Section 1.2 of this audit report, the Department of City Planning currently has a building permit backlog of approximately 10 weeks for residential alterations, and that time period has been increasing. Also, in the part of Section 1.2 on violation abatement, we indicated that some building permit applications experience a 10-month delay prior to initial review. These inordinate delays could be alleviated by obtaining the resources required to provide an acceptable level of public service.

Combining Talents

The Bureau of Building Inspection has a number of organizational strengths that, under a single directorship with City Planning, could be used to enhance the operational effectiveness of a single organization.

BBI possesses a sensitivity to acceptable levels of public service and strives to improve the quality of its services. BBI has in the past two years significantly enhanced its services through the creation of the Public Services Division (PSD), which is responsible for tracking all correspondence coming into the Bureau and following up to ensure that a timely response is forthcoming. PSD is also responsible for answering general questions from the public and for locating and providing information of specific permits. The knowledge that BBI has gained in this information area could be employed and expanded, if deemed beneficial, to a larger office serving the needs of both organizations.

BBI is proficient in setting and meeting objectives and in employing basic management principles, such as instilling good work habits in its employees. Also, in the past few years, BBI has hired employees with a broad vision of permit processing and construction inspection responsibilities. We think that these relatively new employees, some of whom are in key positions, would work especially well with staff currently assigned to City Planning. We think that these staff members would be a strong asset in a transition to a single department.

Staff members of the Department of City Planning are aware of public concerns on issues small and great as they pertain to degrees of development and design principles. Their sensitivity to these concerns could be passed on to BBI staff members more readily in a combined organization.

State-wide Practices

Discussions with the State Office of Planning and Research (OPR) reveals that numerous counties, including Orange and San Mateo Counties, have combined planning and building departments. Further, such cities as Santa Rosa, Pasadena, and Long Beach have combined the functions into a single department. The OPR also related that the requirements of AB 3180, Environmental Impact Reports: Mitigation Findings, which we cite below, would be more efficiently controlled in a combined planning and building organization.

AB 3180

"SECTION 1. Section 21081.6 is added to the Public Resources Code, to read: 21081.6. When making the findings required by subdivision (a) of Section 21081 or when adopting a negative declaration pursuant to paragraph (2) of subdivision (c) of Section 21080, the public agency shall adopt a reporting or monitoring program for the changes to the project which it has adopted or made a condition of project approval in order to mitigate or avoid significant effects on the environment. The reporting or monitoring program shall be designed to ensure compliance during project implementation. For those changes which have been required or incorporated into the project at the request of an agency having jurisdiction by law over natural resources affected by the project, that agency shall, if so requested by the lead or responsible agency, prepare and submit a proposed reporting or monitoring program.

We concur with the OPR opinion that the monitoring and reporting requirements required for certain projects under environmental evaluation regulations would be more efficiently controlled in a combined planning and building department.

CONCLUSION

There are potentially significant benefits to be gained by consolidating the Department of City Planning and the Bureau of Building Inspection into a single Department of City Planning and Community Development. Areas of potential benefit include improved permit processing, improved conformance of construction to plans, improved code enforcement, improved funding for required resources, support personnel spread over a larger base, and the ability to combine talent within both organizations.

RECOMMENDATION

We recommend that the Mayor, Chief Administrative Officer, and the Board of Supervisors:

- Implement the necessary actions to consolidate the Department of City Planning and the Bureau of Building Inspection into a Department of City Planning and Community Development.

BENEFITS/COSTS

The benefit of consolidating the Department of City Planning and the Bureau of Building Inspection into a Department of City Planning and Community Development would be the ability to construct an organization capable of providing significantly improved services to the City in all areas dealing with the City's physical development.

SECTION 2.4: COORDINATION OF PERMIT ACTIVITY WITH THE ASSESSOR'S OFFICE

THE ASSESSOR'S OFFICE IS RESPONSIBLE FOR CHANGING THE ASSESSED VALUE OF A PROPERTY ONCE A BUILDING PERMIT HAS BEEN ISSUED AND THE CONSTRUCTION COMPLETED. BBI IS RESPONSIBLE FOR FURNISHING THE ASSESSOR'S OFFICE WITH ALL PERMIT APPLICATIONS AFTER THE APPLICATIONS HAVE BEEN MICROFILMED. HOWEVER, BBI'S CONTROLS ON APPLICATIONS THAT ARE TRANSFERRED TO THE ASSESSOR'S OFFICE ARE INADEQUATE, THEREBY RESULTING IN A LOSS OF ASSURANCE THAT THE ASSESSOR'S OFFICE IS ACTUALLY RECEIVING ALL PERMIT APPLICATIONS. FURTHER, ILLEGIBLE AND INCOMPLETE APPLICATIONS CAUSE THE ASSESSOR'S OFFICE TO MISS OR OVERLOOK ASSESSABLE CONSTRUCTION PROJECTS. BASED ON OUR REVIEW OF THE ASSESSOR'S EXAMINATION OF BBI PERMIT APPLICATIONS, HORIZONTAL EXTENSIONS TO RESIDENCES ON AS MANY AS 32 PROPERTIES PER YEAR ARE NOT REVIEWED AND SUPPLEMENTALLY ASSESSED BY THE ASSESSOR'S OFFICE. THIS RESULTS IN A LOSS OF PROPERTY TAX REVENUES ESTIMATED BETWEEN \$90,500 AND \$126,700 PER YEAR TO THE CITY FOR HORIZONTAL EXTENSIONS ALONE, AND POTENTIALLY RESULTS IN SIGNIFICANT DOLLAR LOSSES FOR OTHER TYPES OF BUILDING ALTERATIONS.

State law requires that BBI transmit all construction permit applications to the County Assessor's Office as soon as possible after the date of issuance so that the Assessor may assess any changes in property assessments resulting from new construction, additions, or alterations (Chapter 3, Section 72, Revenue and Taxation Code). It is important that all permit activity be readily available to the Assessor's Office because escaped assessments can result in losses in property tax revenues for the City and County.

Review of Permit Applications by Assessor's Office

After permit applications are submitted and approved, and permits issued to the applicants, the applications are stored in boxes and shipped to an outside vendor for microfilming. BBI does not keep any record of the number of applications shipped out nor does it list the application numbers being shipped out for microfilming. Once the applications have been microfilmed and returned to BBI, staff from the Assessor's Office transport the applications to their Office.

All permit applications on properties that involve new construction, structural additions or improvements, properties involving changes in use or occupancy, or demolitions are withdrawn for reappraisal of the property. With respect to permit applications, all Forms 1 and 2 (new construction), Form 6's (demolitions), and some types of Form 3's (major alterations and extensions) are examined by the Assessor's Office for required appraisal or reappraisal actions.

After the relevant permit applications are selected, a separate list of the affected properties is created on the Assessor's Computerized Property System. This so-called "P" list is a listing of buildings with outstanding permits. Some applications, usually involving minor or rebuilding work, are not added to the "P" list but are photocopied and placed in an individual file for that property. When the building changes ownership, the construction activity recorded in these files is included in the total valuation of the property.

Once the construction on these properties is completed, an appraiser will physically inspect the property to establish an assessed value for the new construction. If the construction is an addition or extension to the existing building, the assessment is made only to the extension. This supplemental assessment is then entered into the Property System.

Escaped Assessments

The Assessor's Office reports that despite their examination of permit applications received from BBI, some new construction and properties with substantial alterations continue to escape reassessment by the Assessor's Office. The Chief of Assessment Standards of the Assessor's Office estimates that escaped assessments of new construction number approximately a dozen annually with an averaged total valuation conservatively estimated at \$200,000 per property. Property taxes resulting from these escaped assessments are collected retroactive to the date of completion of construction. The Assessor's Office finds these escaped assessments by physically inspecting each block in the City once each year. These additions and alterations are additional sources of assessments, and ultimately, revenues for the City and County. However, physical inspection will not detect all additions and alterations made to the rear or the interior of residential buildings since such additions and alterations are not easily observable from the street.

Our review of the transmittal process between BBI and the Assessor's Office indicated that the Assessor's Office did not have a record of eight permit applications for horizontal extensions out of 26 sampled (approximately 32 percent). One of the eight applications was for a physical horizontal extension that was an assessable improvement to the property and was valued at approximately \$40,000, according to the estimate on the permit application. Given that during FY 1988-89, approximately 827 applications to construct horizontal additions were filed with BBI, missed assessments of horizontal additions or extensions could total as many as 32 properties per year at a total average value of \$1,814,400, based on the construction cost estimates on the permit applications.

This translates into a loss in revenues to the City and County conservatively estimated at \$18,144 annually. Since these structural additions may not be detected until the building actually changes ownership, the estimated revenue loss is compounded in direct relation to the number of years before the building changes ownership. Assuming a turnover rate of between five and seven years as has been estimated by the Assessor's Office (the average number of years at which homes change ownership), the actual total loss in revenues to the City and County could range from \$90,500 to \$126,700 per year. We believe this estimate of the revenue losses to be conservative because construction estimates on permit applications tend to be conservative, because permit fees are charged according to the estimated cost of the construction.

The other seven applications involved remodeling and the construction of decks and patios. The Assessor's Office reports that they do not supplementally assess decks and patios or minor additions for residences under existing ownership. However, if and when the residential unit changes ownership, the Assessor's Office will take into account the specific deck or patio improvement in the overall value of the property and structure.

One problem in the process by which BBI furnishes permit applications to the Assessor's Office is that the Assessor's Office receives the permit applications after the applications have been shipped out to and received back from the microfilm vendor. The Chief of Assessment Standards for the Assessor's Office has expressed the belief that some of the applications become lost during this stage of the process, and as a result, the Assessor's Office staff never have access to these lost applications. BBI staff report that they conduct spot checks of the work done by the microfilming vendor and they have not had any significant problems with the vendor. However, they do not know the number of permit applications in each batch sent out to the vendor for microfilming. Consequently, their spot checks would not reveal discrepancies between the number of applications sent out for microfilming and the actual number of applications sent back by the microfilm vendor.

Computer Printout of Permit Information

The Assessor's Office currently does not receive a printout of the permits that have been issued, although they do receive a printout of permits where construction has been completed. BBI can and has offered to produce a printout of all permits issued for the Assessor's Office. To date, BBI reports that they have not received a response to this offer.

Based upon information provided by the Assessor's Office, a printout generated by BBI should contain the following information:

- Block and lot numbers
- Street address
- Application number

- Name of owner, or tenant
- Contractor or Architect address and phone number
- Description of work to be done
- Estimated cost of project
- Building use
- Date of permit issuance
- Date of permit expiration.

While the Assessor's Office can isolate properties that may require reappraisal from the printout of completed construction projects, it cannot actually determine that the properties require reappraisal without the actual permit application. The Assessor's Office reports that, by law, it must have access to the actual permit or permit application. However, the printout may be used as reference in selecting specific permit applications.

Improving the Current Procedure

We believe that the current process by which the Assessor reviews permit applications once they have been microfilmed by the outside vendor is generally effective. However, to improve upon the current procedure, BBI should develop a simple control procedure for keeping track of the applications that are sent out for microfilming. A daily computer report of all permit applications issued, currently produced and used by BBI, could be used as a control list for tracking the applications before and after they have been sent to the vendor for microfilming. Currently, a clerk in the Central Permit Bureau is reviewing the applications before they are sent out to the vendor for microfilming. The clerk's review could include checking and sorting the applications based upon the daily report. This same computer report could also be modified to include the information requested by the Assessor's Office.

The Assessor's Office has also stated that often the permit applications are virtually illegible, and as a result, they are unable to discern whether a construction project is assessable. Illegibility can be corrected by requiring applicants to type or print when completing the permit application. Notwithstanding the illegibility of permit applications, the Assessor's staff may want to automatically review any approved permit application that has been reviewed by City Planning and stamped, "SFUSD," indicating that the application is subject to the San Francisco Unified School District Fee. City Planning reviews any new construction project as well as any project that changes the size or use of an existing building. The School District Fee is assessed on new construction or on additions of floor space to existing buildings. This would give an indication of an addition to a building.

CONCLUSION

BBI makes available to the Assessor's Office permit applications once the applications have been microfilmed. The Assessor's Office reviews the applications and develops a list of projects that may require reassessment. However, our examination indicates that the Assessor does not receive access to all of the permit applications, whether or not they receive access to them. Improved control over the applications once the permits have been issued and the permit applications have been microfilmed would ensure that the Assessor's Office has access to all of the permit applications.

RECOMMENDATION

The Budget Analyst recommends that BBI and the Assessor's Office improve the procedure governing transfers of approved permit applications to the Assessor's Office as follows:

- Develop a simple control procedure for ensuring that permit applications sent out for microfilming return in complete form for use by the Assessor's Office;
- Furnish a computer printout to the Assessor's Office of permit applications approved that would include the list information described in this report.
- Require all applications to be typed or printed.
- The Assessor automatically review all approved and completed applications reviewed by City Planning and subject to the San Francisco Unified School District Fee.

SAVINGS / BENEFITS

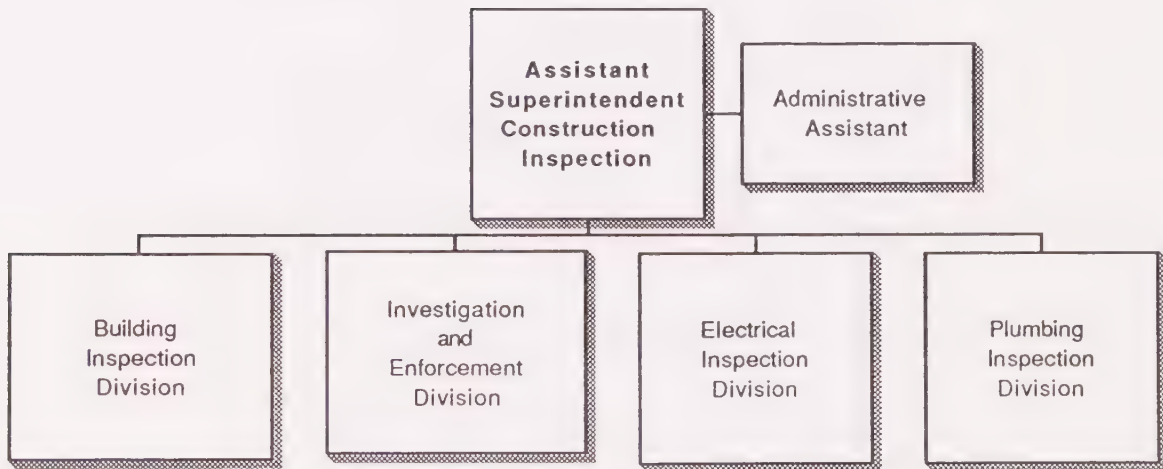
Implementation of the above recommendations will improve the procedures for making permit activity information available to the Assessor's Office. This will ultimately improve the Assessor's ability to keep accurate and current assessed valuations of all property in the City and County of San Francisco, and in the process, capture lost revenues estimated at between \$90,500 to \$126,700 per year.

SECTION 3: CONSTRUCTION INSPECTION ISSUES

The Construction Inspection Unit of the Bureau of Building Inspection is responsible for inspecting all code-required inspections for new construction and alteration work for the City's Building, Electrical, Mechanical, and Plumbing Codes. The Construction Inspection Unit is composed of four inspection divisions, as shown in Exhibit 8. Each division is headed by a chief, has one or more senior inspectors, a varying number of district inspectors, and a limited administrative capability.

Exhibit 8

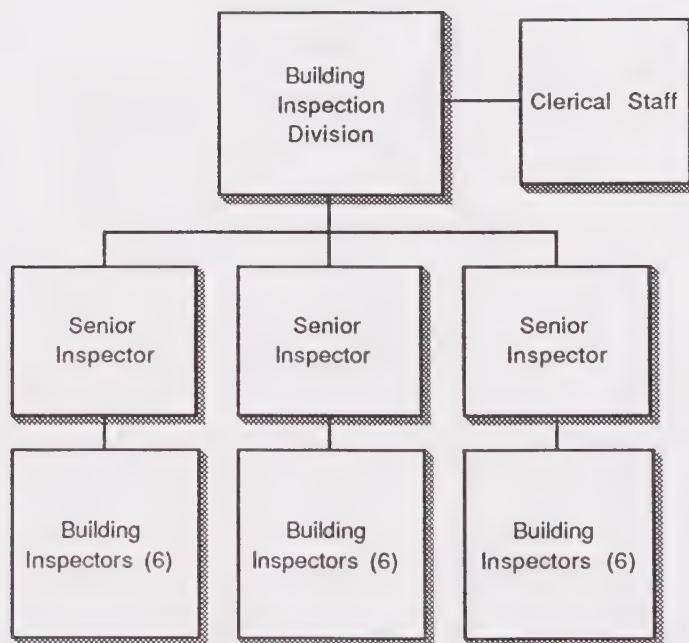
Bureau of Building Inspection Construction Inspection Unit



The Building Inspection Division is responsible for inspecting the general aspects of construction to insure safety and compliance with approved plans, responding to complaints, and fulfilling requests for inspections by other departments. The division has a staff of three authorized senior building inspectors, 18 district building inspectors and four clerk typists. There are 19 building districts in the City. An organizational chart of the Building Inspection Division is shown below.

Exhibit 9

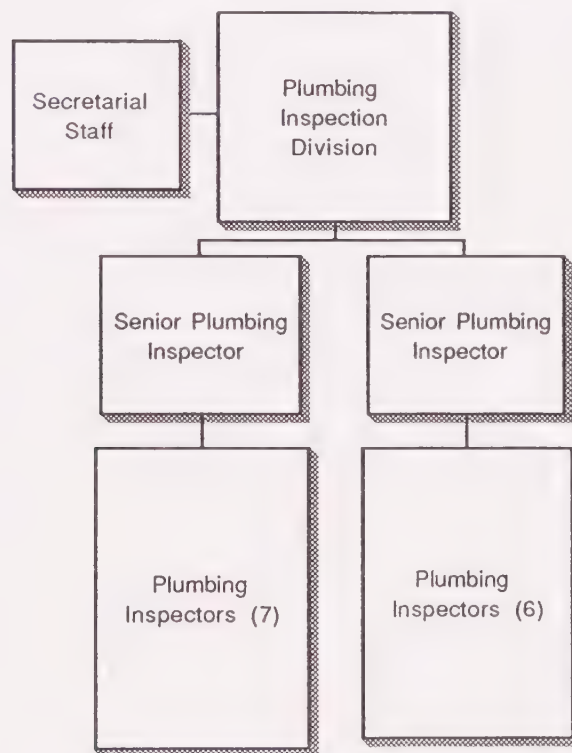
Building Inspection Division



Plumbing Inspection is responsible for inspecting all plumbing work in new buildings and alterations to buildings, including drainage and vent systems, plumbing fixtures, potable water systems, gas piping and appliances, flues for appliances, fire sprinkler systems and water piping for irrigation. This Division is authorized one chief plumbing inspector, two senior plumbing inspectors, 12 plumbing inspectors, and two clerk typists. Nine of the inspectors are each assigned to one of the nine City plumbing districts, the tenth inspector is used as a "floater," the eleventh is permanently assigned to handle complaints, emergency calls, and perform permit-related office duties. The twelfth inspector, a temporary employee, is assigned primarily to inspecting Pacific Gas and Electric (PG&E) replacement gas lines under a 20-year replacement program. A chart of the Plumbing Inspection Division's organization is shown below.

Exhibit 10

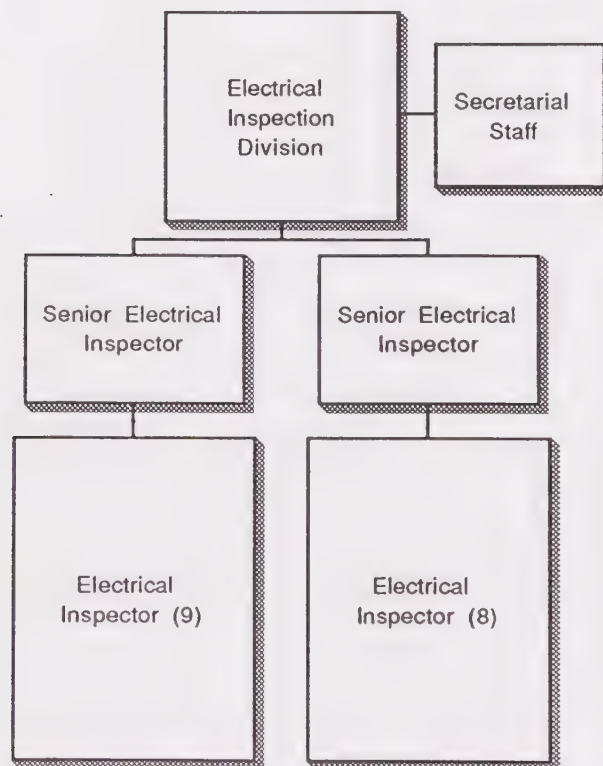
Plumbing Inspection Division



Electrical Inspection is responsible for inspecting all electrical construction to insure compliance with applicable codes and for inspecting all overhead wires. This Division has a staff of one chief electrical inspector, two senior electrical inspectors, 17 electrical inspectors, and two clerks. The City is divided into 16 electrical districts. An organizational chart of the Electrical Inspection Division is shown below.

Exhibit 11

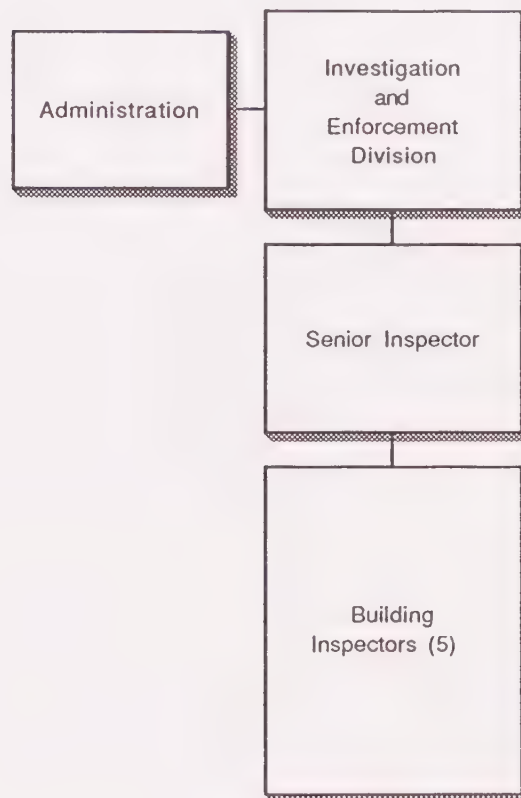
Electrical Inspection Division



The Investigation and Enforcement Division is a new organization within BBI. The Division was established in June, 1989, and will assume responsibility for enforcing and abating violations of the Housing, Building, Plumbing, Electrical and Mechanical Codes within the City. An organizational chart of the Investigation and Enforcement Division is shown below.

Exhibit 12

**Investigation and Enforcement
Division**



SECTION 3.1 COMBINED INSPECTIONS

NEW CONSTRUCTION OR MAJOR ALTERATION OF TYPICAL SINGLE OR TWO FAMILY RESIDENCES REQUIRE AN AVERAGE OF 13 INDIVIDUAL BUILDING, ELECTRICAL, AND PLUMBING INSPECTIONS BECAUSE THE CITY'S CONSTRUCTION INSPECTION PROGRAM IS ORGANIZED ON A CONSTRUCTION SPECIALTY BASIS. THE COST OF EACH OF THESE INSPECTIONS IS APPROXIMATELY \$50. IF COMBINATION INSPECTORS WERE USED, AS IS THE PRACTICE IN JURISDICTIONS RANGING IN SIZE AND COMPLEXITY FROM ALAMEDA COUNTY TO THE CITY OF LOS ANGELES, IT IS ESTIMATED THAT THE AVERAGE NUMBER OF INSPECTIONS FOR SINGLE AND TWO FAMILY RESIDENCES COULD BE REDUCED FROM 13 INSPECTIONS TO BETWEEN EIGHT AND NINE INSPECTIONS. AS A RESULT, IT IS ESTIMATED THAT AT LEAST 21,000 FEWER INSPECTIONS WOULD BE REQUIRED ANNUALLY, AT A SAVINGS TO THE TAXPAYER OF AN ESTIMATED \$1,050,000, ANNUALLY.

Current Inspection Practices

The Bureau of Building Inspection's construction inspection staff is organized into building, electrical, and plumbing divisions, each of which performs inspections exclusively in their respective areas.

There are certain classes of electrical and plumbing inspections that must be performed by a person with specific and intensive training and experience in those specialties. Included in this class is inspection work on large structures, such as high-rises or industrial plants, and many specialized uses. However, for single and two family dwellings, an inspector trained and experienced in one trade could be trained to perform a combination building, electrical, and plumbing inspection in a professional and more efficient manner.

Under normal circumstances, 13 building, electrical, and plumbing inspections are required for new construction and major alterations to single and two family dwellings in the following sequence:

<u>Building</u>	<u>Electrical</u>	<u>Plumbing</u>
1. Excavation and grading	1. Underground	1. Underground
2. Foundation	2. Rough	2. Rough
3. Rough Framing	3. Final	3. Final
4. Roofing		
5. Sheet rock		
6. Slabs on grade		
7. Final		

By using a combination inspector, some inspections could be consolidated. Such combined inspections of single and two family residences would reduce, in typical cases, the number of required individual building, electrical, and plumbing inspections from the current total of 13. Savings would be realized by the Bureau of Building Inspection in the total number of inspectors required for single and two family dwellings, thus freeing resources for other purposes, such as code enforcement. We estimate that approximately 9.2 FTE positions could be re-allocated to currently unperformed or underperformed functions through such a combination inspection program. Financially, this would be a savings of approximately \$1,050,000 per year. Homeowners and contractors would benefit also from the reduced amount of time spent scheduling and conducting the required inspections.

Combination Inspectors are successfully employed in such diverse communities as the City of Los Angeles and Alameda County. In fact, Alameda County uses combination inspectors for all of its construction inspection requirements, not for just single or two family residences.

Conversion to use of combination inspectors should occur on a phased basis, and only after the required training, which would be extensive, has been accomplished. In addition to being a cost effective operating method, implementing the use of combination inspectors would provide a means of professional growth for individual construction inspectors.

CONCLUSION

Currently, the construction inspection program is organized on a construction specialty basis throughout the City. For single and two family dwellings, the Bureau of Building Inspection could manage its construction inspection responsibilities more efficiently if the combination inspector concept were used, as is the practice in numerous other jurisdictions.

Specifically, building, electrical, and plumbing inspectors could be trained to adequately perform the required building, electrical, and plumbing inspections on single and two family dwellings, in a professional manner.

We estimate that 9.2 FTE positions could be reallocated to other functions such as code enforcement.

RECOMMENDATIONS

We recommend that the Superintendent, Bureau of Building Inspection:

- Develop a program for implementing a combination inspector program for single and two family residences that includes training, organizational realignments, and testing on a pilot basis.
- Fully implement the combination inspector concept after determining the most efficient operating procedures and verifying cost savings.

BENEFITS / COSTS

Implementation of these recommendations has the potential for improving the efficiency of construction inspections on single and two family dwellings. We estimate that savings of approximately 9.2 FTE positions, or \$1,050,000 in inspection costs, could be realized by employing combination inspectors on such projects and that these FTE positions could be allocated to other inspection tasks, such as to code enforcement.

The cost of developing a combination inspector capability would primarily be the cost of training existing inspectors to attain combination inspector capabilities. Such costs could be alleviated by hiring construction inspectors who are combination inspector qualified, as inspector positions become open for filling.

SECTION 3.2 CODE OF ETHICS

THE BUREAU OF BUILDING INSPECTION'S ADMINISTRATIVE BULLETIN COVERING CONFLICT OF INTEREST ISSUES IS NOT SUFFICIENTLY COMPREHENSIVE. AS A RESULT, DEPARTMENT POLICY REGARDING SUCH ISSUES AS ACCEPTING FAVORS OR GRATUITIES FROM BUREAU CLIENTS IS NOT SPECIFIED. DURING THE COURSE OF THE AUDIT, ONE INSTANCE OF AN INSPECTOR COMPROMISING HIS INDEPENDENCE BY ACCEPTING A GRATUITY FROM A CLIENT WAS OBSERVED. BY DEVELOPING COMPREHENSIVE DEPARTMENTAL POLICIES ON CONFLICTS OF INTEREST, CONSISTENT WITH CHARTER SECTION 8.105, AND BY CONTINUALLY STRESSING THE IMPORTANCE OF ITS MANDATES, THE DEPARTMENT CAN GAIN ASSURANCE THAT IT IS DOING ALL THAT IT CAN TO AVOID SUCH PROBLEMS.

The potential for abuse of position exists in the Bureau of Building Inspection, as is the case with many other governmental organizations. The City endeavors to protect against abuses of position on the part of its employees by requiring that certain employees file financial disclosure statements and by specifying minimum standards of professional conduct for all employees. In addition, City Departments are expected to further delineate the minimum standards of professional conduct that are specific to the professions involved.

The Bureau of Building Inspection's Administrative Bulletin AB-029 covers some conflict of interest issues clearly and thoroughly, primarily those dealing with providing or recommending services connected to the building trades, such as designing or drafting plans, that various employees are involved in on a daily basis. However, AB-029 does not cover such issues as accepting favors or gratuities from BBI's clients or applicants.

We believe that an expanded code of ethics should be a part of the Bureau of Building Inspection's administrative instructions. The code should cover behavior that is generally unacceptable by any BBI employee as well as specific activities that would be inappropriate for specific classes of employees, such as construction inspectors or plan checkers. We also believe that such an expanded code of ethics should be developed with consideration given to the input of all BBI employees on the subject.

During the course of this audit, we had occasion to accompany building, electrical and plumbing inspectors to job sites for the purpose of conducting a construction or housing inspection. On one occasion, after completion of an inspection, the construction manager, who had known the inspector for a few years and who was on good terms with the inspector, offered to take the inspector and the auditor to lunch. The inspector accepted the invitation. The auditor informed the inspector that he would not be accompanying them, whereupon the inspector stated to the auditor that he too would not be going to lunch with the contractor.

The appearance of an inspector having lunch with a contractor immediately after an inspection, particularly when paid for by the contractor, is not a favorable one and can lead to accusations or impressions that an inspector may be influenced in his or her inspection activities by a gratuity.

Recently, a number of articles have been published in local newspapers concerning irregularities and alleged improprieties and illegal behavior on the part of some Bureau of Building Inspection employees. The extent of the allegations has resulted in the Superintendent of the Bureau of Building Inspection requesting the assistance of the City Attorney in the investigation of the alleged improprieties.

We believe that the development, dissemination, and continual emphasis of an expanded Code of Ethics should be part of remedial actions taken to alleviate incidents of the type we observed and the type alleged in recent publications.

Sections 3.3, 3.4, and 3.5 of this audit report detail improved management controls for supervising inspectors to check quality of work and levels of service provided.

CONCLUSION

The Bureau of Building Inspection does have a formal code of ethics concerning how employees are expected to conduct themselves in their professional endeavors. However, the code needs to be expanded to cover a wider variety of potential situations. Such a code would serve as a guide to expected professional behavior and could also provide a procedure for an employee with a specific question to obtain an answer.

RECOMMENDATIONS

We recommend that the Superintendent, Bureau of Building Inspection:

- Develop and publish an expanded code of ethics to serve as a guide to expected professional behavior by employees.

- Develop the expanded code of ethics with consideration given to the input and participation of Bureau employees.

BENEFITS/COSTS

The implementation of these recommendations would result in a process and a document that provides clear and expanded guidelines on the Bureau's expectations for its employees. In addition, the Bureau's employees would be more aware of the imperative to avoid even the appearance of an impropriety.

SECTION 3.3: BUILDING INSPECTION

THE BUREAU OF BUILDING INSPECTION DOES NOT ENSURE THE CONFORMANCE OF ACTUAL CONSTRUCTION WITH APPROVED PLANS IN ALL CASES. FURTHER, INSPECTIONS ARE SCHEDULED INEFFICIENTLY, SENIOR INSPECTORS ARE INEFFICIENTLY UTILIZED, AND INSPECTOR ACCOUNTABILITY IS INADEQUATE. AS A RESULT, THE CONSTRUCTION OF NONCONFORMING STRUCTURES IS APPROVED, THE DAILY NUMBER OF INSPECTIONS CONDUCTED IS DEFICIENT GIVEN THE NUMBER OF INSPECTORS, AND INSPECTOR TIME IS LOST EXACERBATING THE COST OF INSPECTION FEES. BY DEVELOPING INSPECTION POLICIES AND PROCEDURES TO ENSURE THE CONFORMITY OF ACTUAL CONSTRUCTION TO APPROVED PLANS, BY UTILIZING CLERICAL STAFF TO SCHEDULE INSPECTIONS, BY REDUCING THE AMOUNT OF ADMINISTRATIVE OFFICE TIME OF SENIOR INSPECTORS AND BY IMPLEMENTING IMPROVED PERFORMANCE EVALUATION PROCEDURES, THESE PROBLEMS CAN BE ALLEVIATED.

The Building Inspection Division enforces the 1984 edition of the San Francisco Building Code and Mechanical Code, which incorporate by reference the 1979 editions of the Uniform Building Code and Uniform Mechanical Code. This Section is primarily concerned with the Building Code.

It is the responsibility of the Building Inspection Division to inspect the general aspects of construction to insure safety and conformance with approved plans, to respond to complaints, and to perform related tasks. Specific building code requirements address the type of occupancy, type of construction, the location of property, the floor area, the height and number of stories, and the occupant load.

The Building Inspection Division has undergone organizational and procedural changes in the recent past in an effort to improve its performance. Based on our observations, the Division is improving its procedures and training as a result of these changes. However, there are additional changes that are required to further improve performance. The major areas needing improvement are inspection scheduling, inspector accountability, and insuring that construction conforms to approved plans. We believe that the primary solution to

the major areas needing improvement is the proper utilization of the Division's senior inspectors, with whom we are impressed by their knowledge and desire to improve the Building Inspection Division's operations.

Use of Senior Building Inspectors

The Bureau of Building Inspection is authorized four senior building inspectors; three are actually assigned, with two senior inspectors supervising five district building inspectors each and one supervising seven district building inspectors. The overall responsibility of each senior building inspector is to insure that the Building Code is enforced in his or her sector (composed of six or seven building districts) in an effective and efficient manner. The senior building inspectors devote most of their time to the following tasks:

Field Supervision:	Check rides; problem jobs; complaints about inspection
Office Supervision:	Code questions; problem jobs; field follow-up, complaints
Administration:	Review subordinates' paperwork
Special Assignments:	Re-writing code; researching
Performing Building Inspections:	Problem or complicated cases

Office Supervision, Administration, and Special Assignments are handled in the office. As a result, senior building inspectors, on the average, are spending at least half of their time in the office. While office work must be continually accomplished, direct supervision of the district building inspectors is more critical and needed in the field to assure conformance of work to applicable codes and to approved plans.

Scheduling Building Inspections and Building Inspector Accountability

Building inspectors normally schedule called-in inspection ("called-in" by builders for Building Code required inspections) requests for the following workday from contractors and building owners in the morning from 8:00 a.m. to 9:00 a.m. and in the afternoon between the hours of 4:00 p.m. and 5:00 p.m., when they are in the office. In general, the building inspector is able to provide a specific inspection time, plus or minus approximately 30 minutes.

Building inspectors are expected by BBI management to perform ten field inspections per day. Sometimes, individual inspectors will not schedule ten called-in inspections and will list on the daily schedule other sites they believe need checking in order to coordinate an activity with a contractor or for some other reason.

Thus, although we are not presuming the practice to be widespread, inspectors have the leeway to schedule themselves an "easy day" when desired. As an example of how the ten self-scheduled inspections do not provide a suitable measure of inspector workload, the daily schedule shown as Exhibit 13 shows a total of 16 inspections. One of the auditors accompanied the inspector on this particular schedule of inspections. The total time dedicated to inspections and transportation did not exceed four hours. At least four of the inspections were of the Cathedral Hill Plaza West development during its construction and consisted of reviewing the large excavations from behind a fence. These four inspections required a total of twenty minutes.

In addition, at least one inspection was of a drive-by type whereby the particular inspector presumably noted that some construction had occurred and counted that "inspection" in the daily tally. The attached exhibit contains twenty minute notations for inspections made, even though some of the inspections lasted less than five minutes in duration.

We believe that alternative methods can be employed to overcome the cited inspection scheduling, inspector accountability, and conformance of construction to plans problems that would be more efficient and improve service to the public.

Many jurisdictions allow all-day scheduling of building inspections. Some use clerks to schedule "AM" or "PM" inspections on a first-come first-serve basis. The clerks maintain a tally of the number of inspection requests by district and begin scheduling inspections for the following day when a particular district has reached its limit. Such a procedure relieves the building inspector of much of work in scheduling inspections and allows building owners and contractors to request inspections on an all day basis.

We recommend that the Building Inspection Division implement an all day inspection scheduling capability, using clerks for the task. We believe that an additional clerical positions would be sufficient to provide a satisfactory level of service. The annual cost of the additional clerical positions would be approximately \$29,000, including mandatory fringe benefits.

In addition to employing clerks to schedule inspections and thus preserve inspector efforts for other tasks, Senior inspectors should assign inspection jobs to building inspectors within a contiguous section of the senior inspectors "sector", which would comprise four or more of the current total of 19 building districts. Based on the number and location of requests in the sector, building inspectors would be rotated on a periodic basis, perhaps daily, within the senior inspector's sector. The rotation should be often enough to preclude the same inspector from being the only inspector to inspect a job. Eventually, if deemed expedient after

Exhibit 13

Example of Self-Scheduled Inspections

BUILDING INSPECTION DIVISION—BUILDING INSPECTOR'S DAILY REPORT

Inspector: _____				District: _____				Date: _____			
NON-INSPECTION ACTIVITY											
VOLUME	TYPE	PERMIT HOURS	NON-PERMIT HOURS	CITY-INSTIG. APPL Nos.				NON-FEE APPL Nos.			
2	Permits	1:00									
20	Information		1:00								
	Other	:	1:30								
	TOTAL	1:00	1:30								
INSPECTION ACTIVITY											
APPLICATION	TYPE	HOURS	APPLICATION	TYPE	HOURS	APPLICATION	TYPE	HOURS	APPLICATION	TYPE	HOURS
2846 Washington		:20	1923 Pacific (Garage)		:20			:25			175-600
871293212			861-586122			870035106					
2861 Washington		:20	2856 Washington	10	:20	860753413		:20			175-600
870534005			2114 Baker (empty Res. 2nd fl.)		:20						
2046 California		:20	870918716								
871450906			Harvey Drive	PD	:20						
612 Steiner St.	PD	:20	549 Fell St.	12	:20						
870316413			1755 Geary		:20						
542 Divisadero St.	PD	:20	870769815		:20						
2002 Baker		:20	1755 Geary								
870990015			1755 Geary		:20						
871514211			871140113			TOTAL INSPECTION HOURS:				5:30	

INSPECTION TYPES

01 ROUTINE	03 START WORK	05 EXPIRE	07 CFC	09 COMPLAINT	11 SITE VERIFY
02 NO PROGRESS	04 ABANDON	08 SIGNOFF	06 CANCELLATION	10 PENALTY	12 OTHER

pilot testing, the senior inspector could meet his or her subordinates at a designated location at approximately noontime and assign afternoon inspections based on requests made that morning.

Conformance of Construction to Approved Plans

One complaint often heard from the Department of City Planning and from members of the public is that after extended review sessions between City Planning and builders or between contestants in a discretionary review case, BBI will often let builders vary actual construction from approved plans, without receiving the proper permits or paying additional fees. This is in violation of Section 303(h) of the San Francisco Building Code, which is the authority for changes in work or additional work at a construction site. Its provisions are cited below (emphasis added).

"When an approved permit has been issued, a separate permit for alteration work shall be required for any change in work or additional work as set forth hereafter. The fees shall be as set forth in Section 304(a) .3 and 304(b), based on the difference in the valuation of the changed work and that of the original permit. The valuation shall be not less than \$1. Situations which require a separate permit include the following:

1. The construction differs from the approved plans sufficiently to require revised plans or additional plans to be submitted to the Bureau for approval, including changes in partition layout that affect other code requirements, changes in framing directions, spans and locations of concentrated loads, and changes in types of materials used.
2. Proposed changes which alter the outside dimensions more than 6 inches (emphasis added) in either vertical or horizontal measurement, change the visual appearance through changes in exterior wall materials and windows, change the number of dwelling units in the case of residential property, change the use or occupancy, or decrease the amount of off-street parking provided.
3. The value of the additional work or the value of the changes exceeds 10 percent of the valuation of the approved permit work or \$50,000, whichever is the smaller amount.
4. There is a change in occupancy or use, as defined in this code.
5. There is a change in the construction type in any portion of the building, for any purpose or intent.
6. There is an unusual condition that should require a permit procedure to protect the interest of the public. When the building has been given a final completion, any additional work shall require a separate permit.

7. Any tenant improvement work for Site Permit jobs, including partitions, regardless of whether the value of such work was included in the valuation of the Site Permit."

Our staff visited construction sites where the changes altering the outside dimensions were in terms of many feet, far in excess of the six inches either in vertical or horizontal measurement, as cited in point 2, above. According to representatives of the Department of City Planning, changes in visual appearance through changes in exterior wall materials and windows, have occurred on numerous occasions. We have also observed some of those deviations from planned work. It should be noted that BBI did require that a permit for alteration work be issued and that additional fees be paid in some of the above cited cases. However, some of the work permitted to occur prior to requiring a revision to plans should not have been permitted.

In order to alleviate the problem of construction deviating from approved plans, we recommend that senior inspectors be required to attend the final inspection on all new construction and on any application to which the Department of City Planning has written a Notice of Special Restrictions. We further recommend that the senior inspector attend the final inspection on projects that have been the subject of a Discretionary Review case before the Planning Commission.

Building Inspector Evaluations

The Building Inspection Division has a building inspector evaluation program in effect. Inspectors are formally evaluated using the "Field Trip Performance Report" shown as Appendix E. We think that a more objective and comprehensive evaluation would be obtained by using the format shown in Appendix F, which is our revision of a format used by the Los Angeles Building Department. Completion of the suggested format provides a test of most if not all of the important aspects of the building inspectors activities and is devised to be a more objective evaluation of a building inspector's performance.

CONCLUSION

The Building Inspection Division has undergone recent organizational and procedural changes to improve its operations. Our observation is that training and procedures in the Division have improved. Further improvements are needed in the scheduling of inspections, inspector accountability, utilization of senior inspectors, insuring that actual construction conforms to approved plans, and inspector evaluations.

RECOMMENDATIONS

We recommend that the Superintendent, Bureau of Building Inspection:

- Implement the use of clerks, instead of inspectors, to schedule building inspections .
- Rotate district inspectors on a daily or other basis within the senior inspector's area of responsibility.
- Require senior inspectors to sign-off on the final inspection of new construction or construction which required a Department of City Planning Notice of Special Restrictions or construction which has been the subject of a City Planning Commission discretionary review case.
- Immediately comply with Section 303(h) of the City's Building Code regarding construction conformance with approved plans to ensure that final construction is in conformance with approved plans.
- Implement use of the more detailed inspector evaluation format shown in Appendix F of this report.

BENEFITS/COSTS

The benefits of implementing these recommendations are as follows:

- More efficient scheduling of building inspections with a better workload balance between inspectors.
- Improved accountability of inspectors.
- Improved utilization of senior inspectors.
- Improved inspector performance through more effective performance evaluations.
- Improved adherence of construction to building plans and increased permit fee collections.

The cost of implementing the recommended actions would be an annual total of approximately \$29,000 for one clerical position.

SECTION 3.4: PLUMBING INSPECTION

THE PLUMBING INSPECTION DIVISION OF THE BUREAU OF BUILDING INSPECTION DOES NOT OFFER FORMAL ADVANCE PLAN CHECKING SERVICES TO THE PUBLIC, DOES NOT ADEQUATELY SUPERVISE ITS INSPECTORS AND DOES NOT HAVE A SUFFICIENT MANAGEMENT INFORMATION SYSTEM. BY ESTABLISHING PLAN CHECKING AS AN AVAILABLE SERVICE FOR FEE ACTIVITY, STRENGTHENING SUPERVISORY CONTROL WITHIN CURRENT RESOURCES, AND IMPLEMENTING AN AUTOMATED MANAGEMENT INFORMATION SYSTEM, IMPROVED SERVICE COULD BE PROVIDED TO THE PUBLIC AND MANAGEMENT EFFECTIVENESS COULD BE IMPROVED.

The Plumbing Inspection Division is responsible for inspecting all plumbing work in new buildings and alterations to buildings including drainage and vent systems, plumbing fixtures, portable water systems, gas piping and appliances, flues for appliances, fire sprinkler systems and water piping for irrigation. The major purpose of these inspections is to attain adherence to the minimum standards of the Plumbing Code to insure public safety. The Division is also responsible for conducting inspections of existing plumbing facilities for purposes not related to the building permit process. These inspections which arise from the following two sources, represent five percent of the Division's total workload based on current statistics:

1. Complaints by the general public, tenants, inspectors, other BBI divisions or other City Departments regarding faulty plumbing.
2. Special service requests made by the Police or Fire Departments as part of their processing of permits.

The Plumbing Inspection Division presently has a staff of one Chief Plumbing Inspector, 12 Plumbing Inspectors, one full-time clerk typist, and one half-time clerk typist. The City is divided into nine plumbing districts. Nine of the inspectors are each assigned to a city district and the tenth inspector is used as a "floater". The eleventh inspector is permanently assigned as an "inside" inspector to handle complaints, emergency calls, and perform permit related office duties. The twelfth inspector, a temporary employee, is assigned primarily to inspect Pacific Gas & Electric replacement gas lines under a PG&E 20 year replacement program. Under a special arrangement with the City, PG&E is paying an additional \$35 inspection fee for inspection of these lines to fund the temporary inspector.

The Division schedules inspections 24 to 48 hours in advance of the day the permit holder expects the work to be ready for inspection. An inspector on a job site for the purpose of conducting a scheduled inspection may also arrange additional inspections upon request of the permit holder. The Division also allows for pre-scheduling of specific installations on a regular basis, subject to telephoned confirmation by the permit holder that the work is ready on the day scheduled. Daily appointments are scheduled with an allowance of about 20 minutes per visit, with the general understanding that an inspector may be delayed because of unforeseen problems. From a public relations standpoint, this policy works well. Representatives of the plumbing industry that we interviewed stated that "Plumbing Inspectors. . . allocate time for advance notice and show up when they are supposed to." We were unable to confirm or deny this observation because the division does not keep statistics regarding punctuality.

We accompanied an inspector on his inspection tour for a full day in District #2, which includes the Downtown, North Beach, Chinatown and Telegraph Hill areas. This district is representative of various types of construction including commercial high-rises, small commercial buildings, multi-unit residential and single unit residential. We observed that no excess time was spent on any call. Twelve inspections were scheduled for that day. Many corrections had to be made to work already performed as a result of the inspections made, particularly on the smaller job sites.

Based on the inspection tour, we observed that a significant amount of time had to be spent instructing plumbers, contractors, and owners on what was necessary to conform to the City's Plumbing Code requirements. Although the inspector made brief notes on the back of the permit documenting the changes required to achieve Code conformance, he often had to draw a rough diagram of pipe location, size and other installation directions for use on the job site. Depending on the skill and/or experience of the person making the installation, more or less time had to be taken to explain the work changes involved.

Some of the calls made were a first reinspection of work ordered to achieve Code compliance. If the work was properly performed it was approved. If not, a second reinspection would be scheduled subjecting the permit holder to a \$50 additional charge.

On one job site, the plumbing work did not conform to the Plumbing Code as to the size of pipes and the venting installed by a general contractor. The contractor objected to the required changes noted by the inspector to achieve conformance on the grounds that he had followed the plans in making the installation. Unfortunately, the plans did not conform to the Plumbing Code, and the inspector had to order the required changes to achieve minimum Code conformance for public safety. Although the plans had been reviewed by the Fire Department for conformance to Fire Safety codes, they had not been reviewed by the Plumbing Division because plan checking for plumbing conformance (as well as electrical) is not performed under present policy.

Need for Plan Checking

Advance plan checking involves the review of written building plans to determine whether the proposed construction specifications comply with relevant code sections prior to the actual field inspection. Neither the Plumbing nor Electrical Inspection Divisions engage in advance plan checking even though it is practiced in all other jurisdictions. This policy apparently was based on a long standing tradition of reliance on the tradesmen in the industry to maintain code compliance.

However, both industry representatives and BBI personnel now report that, in general, architects, engineers, and general contractors have insufficient knowledge of Plumbing Code specifications and that plan checking in advance of field inspections would avoid inconsistency in inspection results and would increase the likelihood that a permit holder would achieve Code compliance prior to the actual inspection. Advance plan checking would expedite completion of work, reduce expensive changes, avoid controversy over "grey areas", and reduce costs.

We believe that advance plan checking on small projects could prove costly, burdensome, and cause undue delays, whereas advance plan checking on large projects could prove more efficient, economical, and effective. The Chief Plumbing Inspector reports that the inspectors now engage in informal plan checking as a convenience to contractors on a very few large jobs.

A Senior Plumbing Inspector or other appropriate job classification as determined by Civil Service could be employed to perform this service. The position would also be used to meet an immediate need for additional supervision as discussed below. There would be no additional direct cost involved in funding the position because there are two existing vacant budgeted Senior Plumbing Inspector positions authorized in the current Salary Ordinance.

Representatives of industry believe they would benefit from formal advance plan checking on large projects. We therefore recommend that the Plumbing Inspection Division review plans for code compliance on all projects except construction involving only single family dwellings. A reasonable fee for this service should be determined and collected as is the practice in the Building Inspection Division.

Need for Additional Supervision

The FY 1988-89 budget contained authorization for two new Senior Plumbing Inspectors and authorized their hiring, effective September 1, 1988. However, the positions have not been filled. The Assistant Superintendent for Administration reports that the positions have not been filled for the following reasons:

1. The Bureau mistakenly thought they could not fill the positions until they were formally classified by Civil Service.

2. The Bureau has not yet submitted a Civil Service Position Classification Questionnaire spelling out the duties, responsibilities, and qualifications for the jobs, because proposed plans for reorganizing plumbing and electrical divisions into a "mechanical" division are presently being considered. The Assistant Superintendent for Administration reports that the top management of the new division will determine staffing needs. No target date has been set for the reorganization.

There is an immediate need for more effective supervision. The Chief Inspector is the sole supervisor of 12 inspectors, a supervisory ratio that is too high for adequate supervision. He is further hampered by the fact that he must stay in the office to handle calls during the hours the inspectors are in the field. The Chief Inspector cannot adequately evaluate inspector work performance because he presently must rely on unverified monthly work reports submitted by each inspector and contacts with the industry regarding the quality of the inspections. An intermediate supervisor is clearly needed to achieve a reduced span of supervisory control, thus enabling more direct, effective supervision.

We therefore recommend that one Senior Plumbing Inspector be employed immediately to assist the Chief Plumbing Inspector in handling incoming calls to provide plan checking services, and to make on-site job checks in the field to evaluate overall performance and verify inspectors daily reports. As previously noted, no additional new direct cost would be involved because funds are already budgeted for this position.

It is also recommended that the decision as to whether the second authorized Senior Plumbing Inspector position be used be deferred pending the organization and implementation of a proposed new mechanical division.

Need for Effective, Automated, Management Information System

The present manual system of recording and reporting workload volume and work performance does not provide sufficient or accurate enough information to aid management and facilitate supervisory control. The accuracy of the monthly reports are entirely dependent on the accuracy and integrity of the individual inspectors. Each plumbing inspector manually tallies data from daily reports onto a Monthly Summary Form which is totalled and forwarded to the Chief Inspector at the end of each month. The Chief Plumbing Inspector merely totals the data submitted by the inspectors and enters the totals for the Division on a single Monthly Summary Form. The Chief Plumbing Inspector then submits the Monthly Summary to the Assistant Superintendent, Construction Inspection. Under the present procedure, BBI management does not have an independent source of data to use to check the accuracy of the individual inspector reports and no count exists of the pending workload to be inspected in each inspectors district. As a result, the Plumbing Inspection Division does not know the total number of active permits handled during any month, and does not have an effective means of equitably redistributing work assignments among inspectors.

BBI management agrees with this finding and reports that BBI is in the process of developing a computerized, integrated BBI management information system to be implemented in phases which will eventually include plumbing and electrical inspection (see Section 5.3 of our report). We believe, however, that a simple automated system involving the use of one personal computer should be installed immediately. The minimum information that would be required to be input is as follows:

Active File

Number of Permit/complaint/special request.
Date received
District number
Estimated number of inspections required
Actual number of inspection performed.

Completed File

Number of Permit/complaint/special request.
Date finalized/completed/abated
District number
Number of actual inspections performed
Amount of extra charges paid

The source of the database would be the normal working documents shown below:

1. The new permits, complaints, and service request applications received.
2. The Plumbing Inspectors Daily Report.
3. The finalized permits, abated complaints, and completed service requests.

The above working documents would be routed through a clerical employee for computer input during the course of normal distribution. Data printouts could be printed periodically or as needed for special reports. The status of work progress and individual work performance could be readily determined, and the individual inspector's active workload can be identified at any time. The reports would be far more reliable than under the present system because the data would be cumulated independent of the inspectors and checked against the original work assignments.

We believe that an additional full-time clerical position would be necessary to operate the computer and control the flow of work documents. The additional position should prove cost-effective by freeing inspectors to devote more time to inspection activities. The clerical position should be allocated from unused, authorized positions already in the BBI budget. The only new additional cost involved is the cost of the computer equipment and supplies estimated at \$4,000.

CONCLUSION

Plumbing Inspectors have a good reputation in the construction industry for keeping their scheduled appointments. However, the Division does not operate in the most effective or efficient manner because there is no plan checking in advance of inspections, supervisory oversight is inadequate, the productivity of each inspector is not reviewed, and the practice of assigning one inspector to the office permanently to handle complaints and perform clerical duties is not cost effective.

RECOMMENDATIONS

The Budget Analyst recommends that BBI:

- Institute formal plan checking in the Plumbing Inspection Division for construction larger than single family residences and assess a cost recovery fee for this service;
- Fill one vacant clerical position in the Plumbing Inspection Division to operate the computer, control document flow, prepare reports, and perform other clerical duties;
- Fill one of the vacant Senior Plumbing Inspector positions in the Plumbing Inspection Division and transfer the inspector presently assigned to the office on a permanent basis to field duty. Defer filling the other vacant position until implementation of the proposed new Mechanical Division.

COST/BENEFIT

By implementing these recommendations, BBI can increase the efficiency of inspectors and the effectiveness of the inspection process.

Advance plan checking for larger projects should result in the realization of significant economies through reduced construction costs, the avoidance of inconsistent inspection results, a reduction in the number of required re-inspections, and a decrease in controversy over "grey areas." Strengthening the supervision of the division should improve quality and quantity of inspections with resultant lower unit labor costs, increased revenue, and more effective use of existing staff. The utilization of one

existing vacant position to assist in performing these duties will not involve the incurrence of any new additional costs.

Installing a reliable, automated management information system which accurately reports each inspector's production and pending workload will improve supervisory and management capability. It will also result in increased cost-effectiveness by releasing inspectors from clerical duties enabling them to devote more time to inspection activities. The additional new costs involved would be the cost of computer equipment and supplies estimated at \$4,000. Based upon the Chief Plumbing Inspectors estimates of average inspector time presently spent recording work volume statistics alone, it is conservatively estimated that 1036 professional hours per year representing a cost of \$36,000 could be reallocated to the performance inspection duties.

SECTION 3.5: ELECTRICAL INSPECTION

THE DIRECT SUPERVISION OF ELECTRICAL INSPECTORS IS INADEQUATE, THE PRESENT MANUAL MANAGEMENT INFORMATION SYSTEM IS UNRELIABLE, AND THE ELECTRICAL INSPECTION DIVISION DOES NOT ENGAGE IN FORMAL ADVANCE PLAN CHECKING. BY IMPLEMENTING A PROCEDURE FOR SUPERVISORY EVALUATION OF FIELD INSPECTIONS AND PROVIDING REGULAR ADVANCE PLAN CHECKING SERVICES, IMPROVED SERVICE TO THE PUBLIC COULD BE PROVIDED AND OPERATIONAL EFFICIENCY COULD BE INCREASED.

The Electrical Inspection Division is responsible for inspecting all electrical construction under building permits to insure compliance with applicable codes. The Division is also responsible for conducting inspections of existing electrical systems for purposes not related to the building permit process. These inspections, which represent two percent of the total workload based on current statistics, are made in response to the following two areas:

1. Complaints regarding faulty electrical systems
2. Special service requests from the Police and Fire Departments

The Electrical Inspection Division has a staff of one Chief Electrical Inspector, two Senior Electrical Inspectors, nineteen Electrical Inspectors, one full-time clerk typist and one half-time clerk typist. The City is divided into sixteen electrical districts. Fourteen of the inspectors are each assigned to one City district and the fifteenth inspector is assigned to cover the remaining two districts. The sixteenth and seventeenth inspectors are used as "floaters", and the eighteenth and nineteenth inspectors are temporary employees, assigned to inspect only smoke detector installations. (A recent ordinance requiring smoke detectors in all dwelling units has generated an exorbitant volume of permits which required the temporary extra help.) The Division is normally authorized 17 electrical inspectors.

The policy of the Division is to schedule inspections from 24 hours to a maximum of 3 days in advance of the day the permit holder expects the work to be completed. The high volume of required smoke detector inspections has made it very difficult for inspectors to keep all scheduled advance appointments within the three-day maximum. However, the very recent employment of the two temporary inspectors to conduct the smoke detector inspections has proved helpful in enabling all inspections to be performed when scheduled.

Industry representatives reported that electrical inspectors do not always keep their scheduled appointments on time. We were unable to confirm or deny this report because there is no available data kept regarding punctuality. We did not observe any such delinquency in the field. The inspector we accompanied on job site inspections was able to keep his scheduled appointments on a timely basis.

Need for Supervision

The existing level of supervision is not adequate, a factor that affects the total quality of inspector performance, including timeliness. The Electrical Inspection Division does not have an established procedure for checking the quantity or quality of the field work of inspectors, and direct supervision is minimal. The Senior Inspectors primarily serve as "trouble shooters" and "floaters." They do not accompany an inspector on a field inspection unless help is requested by an inspector. There are no spot checks of field inspections performed. Neither the Chief Inspector nor the Senior Inspectors are required to prepare supervisory reports of field inspections. The Chief Inspector primarily relies on a subjective evaluation of his subordinates based upon the frequency of complaints received from permit holders regarding the performance of inspectors. The lack of supervision would appear to justify the comment made by an industry representative that "no one seems to be able to control electrical inspectors. They seem to have complete autonomy."

In the Budget Analyst's Report of the Operations of BBI issued in June of 1982, we noted the need for strengthening the Electrical Inspection Division's supervision and recommended the following:

1. All inspectors should submit written appointment schedules prior to leaving the office to conduct field inspections.
2. Senior Inspectors should make field inspections with each inspector at least once a month.
3. Senior Inspectors, using appointment logs, should make spot checks to verify that inspectors are, in fact, in the field as reported.

To date, none of the recommendations have been implemented by the Electrical Division. The Chief Electrical Inspector reports that the Division has been unable to implement the recommendations because of the demands of a continuous high work volume the need to use supervisors to cover inspector absenteeism, a reluctance to assign supervisory duties to a temporary acting Senior Electrical Inspector, and a lack of sufficient clerical staff. Although such conditions may make it more difficult to establish a supervisory program, there appears no valid reason for the delay. The supervisory span of controls for the Chief and two Senior Inspectors is adequate. The number and frequency of supervisory reviews could be adjusted as required by the volume of work, provided that checks on the quality and quantity of work continue to be made under a formal program. The City of Los Angeles has such a program.

We urge management to implement our basic recommendations of 1982, without further delay and suggest that the supervisory program include at least the following essentials:

1. Random, cursory, inspections should be made, occasionally, after a field inspector has approved a required inspection to determine whether there has been any significant error. The supervisors should check at least two jobs for each of their inspectors once a month.
2. Supervisors should conduct a time check by a visit to the job site without the inspector to compare the time the inspector was at the job site with the time shown on the inspectors time report.
3. Supervisors should conduct job checks in the field by visiting job sites both with and without an inspector to evaluate his overall performance.
4. Supervisors should review the number of inspections per permit as reported on the inspector's daily time sheet to determine if an excessive number of inspections have been made.
5. Supervisors should review inspector's permit files to evaluate record keeping abilities.
6. Each supervisor should maintain a daily field control log that includes a simple rating of a job as acceptable or unacceptable. A space for clarifying or helpful comments should on also be provided on the form.
7. At the very minimum, inspectors should be required to submit a schedule of their daily appointments before leaving the office to conduct field investigations.

If properly and systematically applied, such a supervisory program would motivate inspectors to maintain the quality and quantity of inspections consistent with Department standards.

Need for an Effective Automated Management Information System.

As reported for the Plumbing Inspection Division, the present manual system of recording and reporting the volume of work and work performance in the Electrical Inspection Division does not provide sufficient or accurate enough information to aid management and facilitate supervisory control. The Electrical Inspection Division system is essentially the same as the one in Plumbing. The problems with it are that there is no verifiable accountability and inspectors are spending too much unnecessary time in making monthly reports estimated at 30 minutes per day per inspector.

We therefore recommend that an automated system similar to the one recommended for the Plumbing Division be implemented immediately. A full-time clerical position should be allocated from existing, vacant positions to control the flow of documents and operate a personal computer. This would provide an invaluable management tool for planning and supervisory purposes and would free inspectors from clerical duties. The only new additional cost involved would be the cost of computer equipment and supplies estimated at \$4,000.

Need for Advance Plan Checking

Neither the Electrical nor Plumbing Inspection Divisions provide advance plan checking services. Advance plan checking involves the review of written building plans to determine whether the proposed construction specifications comply with relevant code sections prior to the actual field inspection. It is practiced in all other jurisdictions and serves to avoid inconsistency in field inspection results and increases the opportunity of the permit holder to achieve code compliance prior to the actual job site inspection.

One of the major complaints expressed by industry representatives is the absence of advance electrical plan checking in San Francisco. They report that as a consequence permit holders incur costly delays in construction resulting from inconsistent field inspections. The usual tendency, according to representatives, is to do additional compliance work rather than to appeal an adverse ruling which would involve further construction delays. We were unable to verify this representation due to the absence of available relevant data.

The inspectors interviewed agreed that advance plan checking would avoid approximately one-half the permit problems encountered, but not those problems resulting from unacceptable workmanship. Representatives of the industry and the inspectors feel that plan checking would be most cost-effective on larger projects. Accordingly, as recommended for the Plumbing Inspection Division, we recommend that advance plan checking be established in the Electrical Inspection Division for all construction, except for individual single family dwelling units.

The Chief Inspector and two Senior Inspectors or other appropriate classification as determined by Civil Service could perform the advance plan checking services. The efficiency and effectiveness of the Electrical Inspection Division would be increased and public relations improved.

The industry would benefit through decreased construction delays and the Electrical Division would benefit from a reduction in required re-inspections. Any decision to add a new position for plan checking should be deferred until a proposed new Mechanical Division is implemented.

CONCLUSION

The Electrical Inspection Division has not implemented any of the recommendations outlined in the Budget Analyst's June, 1982 report regarding supervision of the Division. Even the minimum recommendation requiring that inspectors turn in their daily appointment schedules prior to leaving the office to conduct inspections has not been implemented. With adequate supervision, a reliable management information system, and the implementation of advance plan checking, the Division would improve its effectiveness and efficiency.

RECOMMENDATIONS

The Budget Analyst recommends that BBI:

- Require Electrical Inspection Division inspectors to turn in daily appointment schedules each morning and to require the Chief Electrical Inspector and two Senior Electrical Inspectors to make job site visits with and without inspectors to evaluate performance and to verify that inspectors are in the field, as reported.
- Immediately implement an automated management information system involving the use of a personal computer.
- Allocate and fill one full-time clerical position in the Electrical Inspection Division from existing vacant authorized positions to operate the personal computer, control document flow, prepare reports, and perform other clerical tasks.
- Provide plan checking services as soon as possible and give responsibility to the Chief Electrical Inspector and the two Senior Electrical Inspectors, or other appropriate classifications as determined by the Civil Service Commission, for performing plan checking.

SAVINGS/BENEFIT

Strengthening the direct supervision of inspectors should increase the quality, quantity, and timeliness of required inspections with resulting benefits to both BBI and the construction industry without any diminishment in public safety.

The implementation of a single, automated, management information system of the type recommended would greatly strengthen supervisory and management capability to deliver services more effectively and economically. The costs of the new system would be greatly offset by the release of inspectors from time consuming clerical work. The additional new costs involved would be the cost of computer equipment and supplies

estimated at \$4,000. Based on the Chief Electrical Inspector's estimates of average inspector time presently spent recording work statistics alone it is estimated that 2594 professional hours per year representing a cost of \$88,400 could be reallocated to the performance of inspection duties.

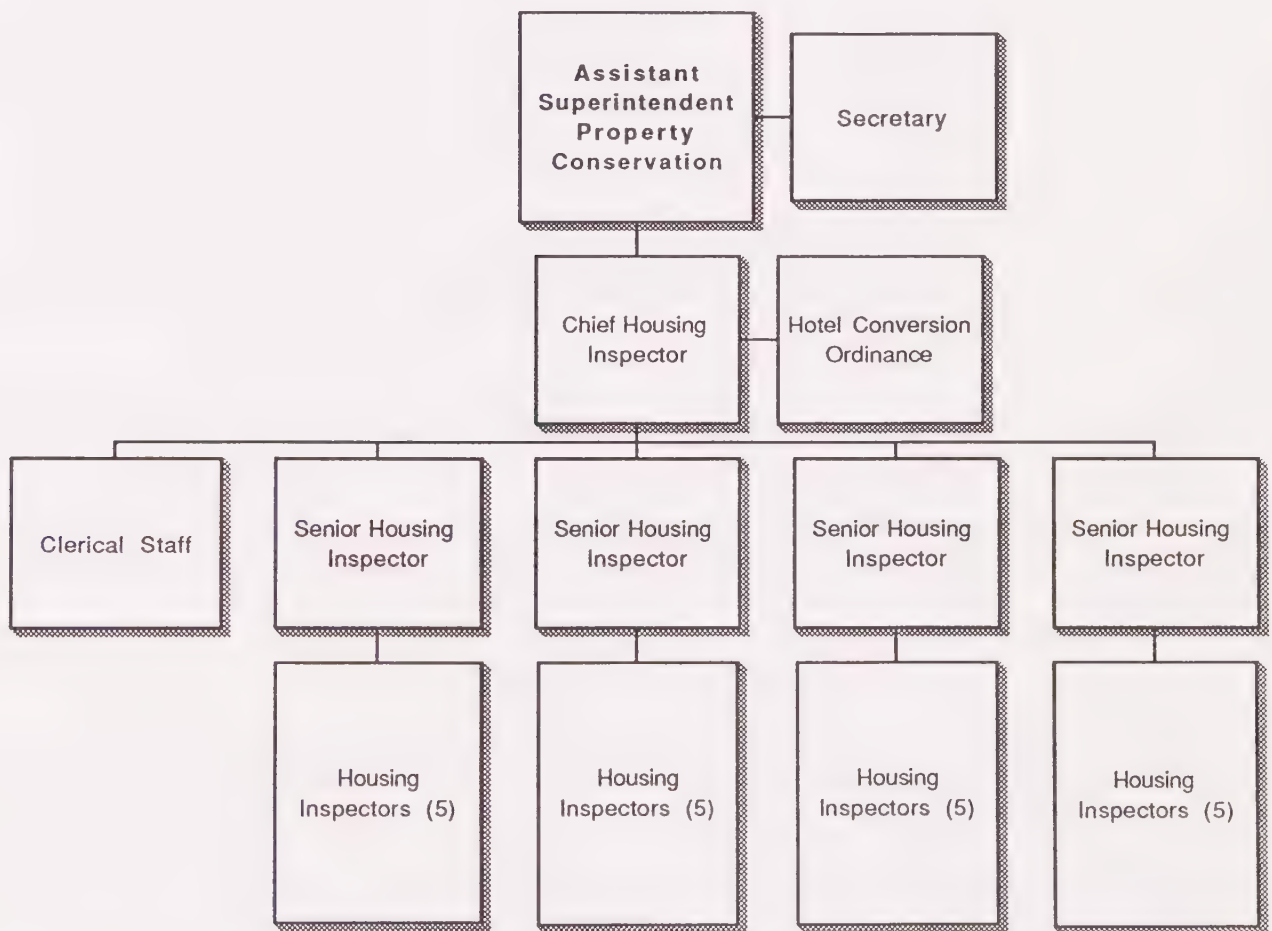
The establishment of plan checking services would result in decreased costs for both BBI and the construction industry through reductions in unnecessary delays and inconsistencies. It would also improve public relations. No new additional costs are anticipated in performing this service.

Section 4: Property Conservation

The Property Conservation Program within BBI consists of the Housing Inspection Division, and is administered by the Assistant Superintendent for Property Conservation. The Housing Inspection Division is authorized a total of 34 funded positions in the FY 1989-90 budget. The following chart illustrates the Property Conservation Program's organization and staffing:

Exhibit 14

Bureau of Building Inspection Property Conservation Unit



The Housing Inspection Division of the Property Conservation Program in BBI is responsible for monitoring and regulating the physical condition of residential housing in the City and County of San Francisco.

To carry out this responsibility, Housing Inspection Division staff inspectors perform, as their major task, a variety of inspections on single, double and multiple residential unit housing including:

- Annual routine inspections For routine inspections which are required by San Francisco's Housing Code, Housing Inspectors inspect the public access areas of residential buildings with three or more units for conformance with the City's Building, Housing, and Fire codes.
- Complete inspections Performed upon request or in response to a complaint, complete inspections are conducted in cooperation with Building, Plumbing, and Electrical Inspectors and involve the complete examination of the building, including individual apartments and rooms.
- Energy inspections pursuant to the Energy Conservation Ordinance Energy inspections are conducted prior to the sale of a building and are normally performed by outside consultants, although Housing Inspectors do conduct a minimal amount of inspections. The building must meet minimum standards as set forth in the ordinance.
- Heating inspections Usually based upon public complaint, heating inspections focus on the adequacy of a building's heating and ventilation.
- Smoke detector and hotel sprinkler inspections Inspectors check for the presence of hard-wired and/or battery-powered smoke detectors and hotel sprinklers.
- Inspections pursuant to the Hotel Conversion Ordinance Inspections are made once a year in conjunction with the routine inspections and to verify the use of hotel rooms.
- Inspections based upon complaints by the public

To offset the costs of services provided by the Housing Inspection Division, hotel and apartment building license fees are charged to the owners of each hotel and apartment building in the City. Apartment House license fees range from \$88 per building per year to \$319 per building per year, depending on the number of rooms in the building. Hotel license fees range from \$135 per building, per year, to \$444 per building, per year, depending on the number of rooms in the building. During 1988-89, license fees totalled approximately \$2.5 million. In addition, other fees are charged to offset the costs of other programs administered by HID.

SECTION 4.1: HOUSING INSPECTION

THE CITY'S HOUSING CODE REQUIRES THAT THE HOUSING INSPECTION DIVISION CONDUCT ROUTINE INSPECTIONS OF THE CITY'S 20,000 APARTMENTS AND HOTELS ON AN ANNUAL BASIS. HOWEVER, THE DIVISION CONDUCTED ONLY 2,020 ROUTINE INSPECTIONS DURING FY 1988-89, REPRESENTING APPROXIMATELY 10.1 PERCENT OF THE NUMBER REQUIRED. SOME BUILDINGS HAVE NOT BEEN INSPECTED FOR OVER 10 YEARS. BY REVISING THE CODE TO REQUIRE ROUTINE INSPECTIONS BIENNIALLY, OR ONCE EVERY TWO YEARS INSTEAD OF ONCE A YEAR, AND IMPLEMENTING THEIR NEW SCHEDULED INSPECTION PROGRAM, THE HOUSING INSPECTION DIVISION CAN PERFORM THE REQUIRED PERIODIC INSPECTIONS OF ALL APARTMENTS AND HOTELS. THE RECOMMENDED REVISION TO THE HOUSING CODE WOULD ALSO ALLOW THE ELIMINATION OF TWO INSPECTOR POSITIONS AT AN ESTIMATED SAVINGS TO BBI OF \$114,400 ANNUALLY.

A major portion of the Housing Inspection Division's (HID's) inspection workload consists of routine and complaint inspections. A routine inspection involves examination of the public areas of a building with three or more dwelling units including checking for changes in occupancy, egress, lighting, security, and health and fire safety. A sample routine checklist is shown in Appendix E. During FY 1988-89, HID inspectors conducted 2,020 routine inspections, a decrease of 52.7 percent from 4,268 in FY 1987-88.

HID is responsible for conducting routine annual inspections on the City's 20,000 apartment buildings and hotels. At HID's present rate of 2,020 routine inspections per year, San Francisco's apartment buildings and hotels will only receive their routine inspections approximately once every ten years, not including any inspections from complaints or other regulatory requirements. In fact, a sample review of the HID street files revealed two buildings that had not received routine inspections within the

last 13 years. One of the two buildings had not received a routine inspection since 1971, or 18 years ago.*

According to Sections 307.A and 307.B of the San Francisco Housing Code, "...inspection and regulation (of apartments and hotels) shall be made by the Bureau of Building Inspection at least once a year and as often thereafter as may be deemed necessary." These code requirements mandate that HID conduct an inspection of each apartment building and hotel at least once per year, and according to BBI, the routine inspection is the minimum that should be conducted each year. Clearly, HID is not meeting the inspection requirement as stated by the City's Housing Code.

Normally, Housing Inspectors spend five and one-half hours each day conducting inspections including routine inspections. Inspectors spend the remaining two hours in the office filling out inspection forms, responding to complaints phoned in by the public, and scheduling inspections with building owners. As the number of complaints, amount of paperwork and other inspection assignments increases, the amount of time devoted to routine inspections decreases. The Assistant Superintendent of Property Conservation has stated that the following factors were major reasons for the reduction in routine inspections during FY 1988-89 and has prevented the housing inspectors from conducting more routine inspections:

- 1) Special projects such as the hotel sprinkler inspection program and the enforcement of the smoke detector ordinance prevent inspectors from conducting more routine inspections. Such projects require significant amounts of staff time as staff are pulled off their normal inspection duties which include routine inspections, to conduct these special inspection programs.
- 2) Resolution of complaint-based violations reduces the amount of time available for routine inspections. As a matter of Bureau policy, inspections based on public complaints are given top priority, and as such, inspectors must respond to registered complaints within two days, 95 percent of the time. If the inspector finds a violation during the complaint inspection, the building owner is required to correct the violation, and the inspector must reinspect the building to confirm compliance. Based upon Property Conservation Division statistics, inspectors must make an average of 1.6 reinspections for each building found in non-compliance. As a result, inspectors

* The Assistant Superintendent for Property Conservation reports that this particular building has not received a routine inspection because the building is still under an abatement order resulting from the 1971 inspection. See Section 4.3 on the backlog of abatement cases. The Assistant Superintendent further states that, as a matter of procedure, inspections on buildings are not conducted until existing recorded violations are abated.

spend a large portion of their time performing complaint-based inspections and associated reinspections, and therefore reducing the time available to perform routine inspections. In addition, the number of complaints increased by 24.3 percent from 3,200 in FY 1986-87 to 3,979 in FY 1987-88. HID responded to 4,032 complaints during FY 1988-89, a further increase of 1.3 percent from FY 1988-89. The increase is due to complaints on one and two unit dwellings, to which the Division recently began responding.

- 3) Inspections performed by the HID generate large amounts of paperwork. A routine inspection may require an inspector to fill out as many as four different forms, depending on the nature of the violations found. On one routine inspection that our office witnessed, the inspector found two violations that required two separate forms to fill out in addition to the routine inspection checklist. In addition, notices of violation must be processed and sent to the building owner. Division-wide, the Chief Inspector reported that over 300 documents are produced each day in the office, or an average of 15 documents per housing inspector.
- 4) Abatement activities consume inspector time at the expense of inspection activities. Once a code violation enters abatement proceedings, the inspector must spend time preparing abatement cases for the Director's Hearing, or in some cases, resolution by the City Attorney's Office (for an explanation of abatement proceedings, see Section 4.3 of this report). The majority of the increased number of complaints that occurred in FY 1987-88 have now become abatement cases. Housing Inspectors have been resolving these cases in a timely fashion. However, resolution of these abatement cases has reduced the time allotted to other inspection activities including routine inspections.

BBI Proposal to Perform Annual Routine Inspections.

In response to the mandate to conduct all routine inspections annually, the Superintendent of BBI recently directed the Housing Inspection Division to implement the annual routine inspection requirement using current staffing levels. The directive included the following:

- Perform all routine inspections annually, as required by the Housing Code.
- Limit the number of reinspections for routine and complaint inspections to a total of 4,000. Instead of conducting reinspections of all buildings with violations, HID would send out notices of violations ordering compliance, and upon

compliance the building owner would submit an affidavit showing that they have corrected the violation. More serious violations such as obstructions of egress, unauthorized changes in occupancy, or any "life hazard" condition would continue to require reinspections.

- Increase the total number of inspections per inspector per day from 5.5 per inspector per day to eight per inspector per day. This would include a minimum of five routine inspections per day.
- Begin computerized scheduling of appointments for routine inspections and clustering of the inspections within close proximity to each other to minimize travel time.

The Assistant Superintendent for Property Conservation reports that the new scheduling will begin in three to four months, once the computer is programmed to produce the inspection schedules. In the mean time, they are proposing to test the new program on two of the inspection districts.

While the proposed program is ambitious and will certainly increase the number of routine inspections completed, it does not adequately take into account the current nature of the workload and the anticipated future workload of the Division. The proposed program does not take into account inspector time required for processing the paperwork associated with each inspection, and assumes that all inspections will be performed within the allotted times. Our review of the BBI proposal for annual routine inspections indicates that, given the current number and type of inspections performed by HID staff, the projected number of reinspections, the projected workload for other projects, and current clerical procedures, HID will not, with current staffing levels, accomplish the mandated objective of 20,000 routine inspections per year.

Analysis of BBI's Proposal to Perform 20,000 Annual Routine Inspections

Based upon the Division's historical experience, our office projected the total number of inspections required for the first three years of the new inspection program, taking into account the estimated number of inspections with serious violations requiring reinspection, the estimated number of inspections with minor violations, and the expected compliance rate. In addition, based upon discussions with the Assistant Superintendent, we factored in estimations of improvements in the condition of housing resulting from the increased inspections, including an increase in the number of clean or violation free inspections, reductions in the number of complaints, and reductions in the number of serious or life-hazard type violations. Using this information, our office estimated the number of full-time inspectors required to carry out the Superintendent's directive. Presently, HID has a staff of 20 full-time housing inspectors, of which one is devoted full-time to administering the requirements of the Hotel Conversion Ordinance and providing data-processing assistance to

the Division. The analysis indicates that the Division will require a minimum of 23 inspector positions during the first two years to carry out the inspections required under the program, and 21 positions during the third and subsequent years. Given that 19 inspectors are currently available to perform all inspections, we believe HID will require at least two new permanent housing inspector positions to meet the annual routine inspection requirement at an estimated annual cost of \$114,400 which includes salary and fringe benefits. In addition, the Housing Inspection Division would require two temporary inspector positions at a two year cost estimated at \$228,800. The analysis also uncovered the following findings.

Reinspections will be substantially higher than 4,000. HID will need to conduct a minimum of 10,000 reinspections annually, or 2.5 times the amount estimated by BBI. The larger estimate of reinspections is based upon the following reasons:

- The estimated number of buildings with violations that remain in non-compliance will result in a greater number of reinspections the following year.
- The estimated number of buildings with serious violations will require reinspections substantially in excess of 4,000.

Abatement activities, if not moved to the new Investigative Enforcement Division, will compete for inspector time needed for routine inspections. Currently, HID spends over 4,000 hours or 18 percent of total staff time, annually, on abatement of violations. Abatement activities consist of any activity related to the pursuit of correction of building and housing code violations. BBI has reported that all abatement activities will be transferred to the new Investigative Enforcement Division. Consequently, we did not factor abatement work into the projections, even though the housing inspectors currently will continue to staff their respective abatement cases during the next year. Even with this assumption, our projection shows that HID will not accomplish the 20,000 routine inspections with current staffing levels.

30 minute allotments for routine inspections will not be adequate. The proposed inspection scheduling format will schedule routine inspections 30 minutes apart and in close proximity of each other, usually within the same block or within two blocks. However, HID's inspectors spend, on average, 33 minutes conducting a routine inspection, or 10 percent more than the new scheduling program would allow. Aggregated over the entire year, the Division would fall short of their objective of 20,000 routine inspections by 10 percent or approximately 2,000 inspections.

Expected changes to the Hotel Conversion Ordinance may require the staff time equivalent of one inspector. The housing inspector responsible for administering the Hotel Conversion Ordinance reports that planned changes to the Hotel Conversion Ordinance will require one inspector's position to fully administer the revised procedures for the Hotel Conversion

Ordinance and subsequently would reduce the amount of staff time available for routine inspections.

Revising the Housing Code

Another alternative to ensuring periodic routine inspections of the City's apartment and hotel buildings would be to require a routine inspection every other year, instead of a routine inspection every year. This would, in effect, reduce the required number of routine inspections conducted by housing inspectors on an annual basis by half. Both the Chief Housing Inspector and the Assistant Superintendent for Property Conservation have stated their belief that such a change in the Housing Code would not significantly affect the structural and safety condition of the City's apartment and hotel buildings. The Assistant Superintendent also reports that he knows of no state laws or regulations that would prevent such a revision of the Housing Code. In fact, meeting a biennial inspection requirement would be a substantial improvement over the current performance of the Housing Inspection staff, and would result in an improvement in the monitoring of the condition of the City's apartment and hotel buildings.

Furthermore, using the same analysis of the annual routine inspection directive, the Housing Inspection Division could accommodate a program of biennial inspections, along with all other Division activities, with two less full-time Housing Inspector positions. Elimination of two Housing Inspector positions would result in a cost savings to BBI of approximately \$114,400 per year. These cost savings would translate into an estimated average decrease in the license fee of \$5.72 per building.

Based upon the assessment of the Assistant Superintendent for Property Conservation and the Chief Housing Inspector, we believe that such a revision to the City's Housing Code, coupled with the use of the new inspection program, would be more feasible to administer and would ensure that the City's apartment and hotel buildings are inspected periodically. The proposed Code revision would also allow the Housing Inspection Division to perform its inspection responsibilities in a more effective and efficient manner.

BBI Automation Plans

HID's work involves a large amount of record keeping and generation of documents (as discussed above). The entire inspection process is recorded on paper and filed in the Division's street files. The Division maintains a manual file of the City's 20,000 apartment buildings and hotels organized by street address. In addition, HID maintains a hotel and apartment building database on the Information Systems Division (ISD) mainframe computer at City Hall. The Division of Apartments and Hotels Inspection (DAHI) database, accessed by block and lot number and by street address, is a computer record of all of the apartment buildings and

hotels and contains information on the building occupancy, inspection types and dates, outstanding violations and abatement orders.

While HID manages rather well under the current arrangement, the productivity and performance of the staff would improve significantly with the addition of an automated inspection and database system. The computer system would be able to store and retrieve building information, produce inspection schedules for inspectors, assist the inspectors in generating inspection reports, generate form letters, and compile management information. Implementation of such a system should significantly aid the Division's efforts to meet the annual routine inspection requirement.

BBI has recently formulated a three-year automation plan that includes the automation of the Property Conservation Department. The Bureau-wide automation plan is discussed in Section 5.3. In fact, BBI administration has recognized the paper intensive nature of the work in HID and has highlighted the automation of Property Conservation as critically important.

CONCLUSION

The Housing Inspection Division of the Property Conservation Program in the Bureau of Building Inspection must conduct annual inspections of all of the City's apartment buildings and hotels pursuant to Sections 307.A and 307.B of the San Francisco Housing Code, but has failed to do so. The Division has taken steps to rectify the problem and is in the process of implementing a new scheduling procedure and inspection program that requires the inspection of the City's 20,000 apartment buildings and hotels on an annual basis.

Our analysis indicates that a minimum of two permanent housing inspector positions and two temporary housing inspector positions would be needed to fully implement an annual inspection program, resulting in increased costs of \$114,400 per year for the permanent positions and \$228,800 for temporary positions over two years. If the Housing Code were revised to require routine inspections on a biennial basis, the Housing Inspection Division could meet this reduced requirement and eliminate two inspector positions at a savings estimate at \$114,400 annually.

The Housing Inspection Division tasks and responsibilities should be automated and BBI has proposed a three-year automation plan which includes the automation of the Property Conservation Program.

RECOMMENDATIONS

The Budget Analyst recommends that BBI:

- Implement the proposed inspection program as described in this section.
- Draft proposed revisions to the Housing Code that would change the periodic inspection requirement from an annual basis to a biennial basis. These revisions would be submitted to the Board of Supervisors for their review and approval.
- Eliminate two Housing Inspector positions in the Housing Inspection Division.
- Develop and implement an improved automated inspection and database system as soon as possible, as outlined in Section 5.3.

BENEFITS/COSTS

Implementing the Bureau's proposed inspection program will enable the Housing Inspection Division to comply with Sections 307.A and 307.B of the San Francisco Housing Code and in the process will improve the monitoring of the structural and safety conditions of the City's multiple units housing.

Implementing revisions to the Housing Code, as recommended in this section, would reduce the annual inspection requirement to a biennial inspection requirement, and increase the Housing Inspection Division's ability to monitor the conditions of the City's apartment and hotel buildings. With the Code revisions, two inspector positions could be eliminated at an estimated savings of \$114,400 per year, which would translate into a reduction in license fees estimated at an average of \$5.72 per building.

SECTION 4.2: REPORT OF RESIDENTIAL BUILDING RECORD (3-R REPORT)

THE BUREAU OF BUILDING INSPECTION IS RESPONSIBLE FOR PREPARING REPORTS FOR THE PUBLIC. HOWEVER, THIS SECTION IS HINDERED FROM PROVIDING THIS REQUIRED SERVICE BY INADEQUATE OFFICE SPACE, A CLERICAL PROCEDURE THAT IS DUPLICATIVE AND OUTDATED, AND A POORLY MANAGED FILING SYSTEM. BY INSTITUTING AN AUTOMATED 3-R REPORTING SYSTEM THAT SIMPLIFIES THE REPORT-GENERATING PROCESS, AND PROVIDING ADDITIONAL WORKING SPACE, SERVICE TO THE PUBLIC WOULD BE IMPROVED.

The San Francisco Housing Code requires that, "prior to the sale or exchange of any residential building, except for the first sale or exchange, if this occurs within one year of the date of the Certificate of Final Completion of the construction of the building, the owner, or his/her authorized agent, shall obtain ... a current Report of Residential Building Record (3-R) describing the existing authorized occupancy or use of the residential building" (Article 3.5, Section 351). The 3-R report is used to summarize the historical use and construction activity of the building.

Pursuant to this article of the Housing Code, the 3-R Section was created to maintain and furnish 3-R reports requested by the public. The 3-R Section is currently staffed with two clerk typists and one senior clerk typist who functions as the Section's supervisor.

To apply for a Report of Residential Building Record (3-R report), one fills out a 3-R report application. A \$20 fee is submitted with the application. A 3-R report includes the following information:

1. Location and use of the building
2. Authorized number of residential units
3. Permit history of building
4. Any current complaints or violations

Upon receipt of the application for the 3-R report, the 3-R Section processes the application by using the following procedures:

- 1) Researching existing 3-R files organized by street address for past 3-R records. These past records are used as the basis for producing the new 3-R report.

- 2) Generating a customer-payment receipt and recording the application into a control ledger.
- 3) Preparing a worksheet which is essentially a photocopy of a 3-R form. The clerks write their notes on these worksheets during their research on the requested addresses.
- 4) Researching the permit history and complaint history of the address.
- 5) Typing a new 3-R report and an accompanying post card that the new owner mails back to BBI making notification of the change of ownership.
- 6) Mailing 3-R report and postcard.

Management Objective

BBI has set a management objective of responding to a request for a 3-R report within two days, 95 percent of the time. Bureau records indicate that the 3-R Section has not met the objective through the balance of the first three quarters of FY 1988-89, although the Section showed a substantial improvement in performance during the second and third quarters. The following table, based upon data compiled by the Section Supervisor, summarizes the 3-R Section's performance for the first three quarters of FY 1988-89:

Table 13			
Percent of			
Responses within			
Quarter	Two Days	Management Objective	Difference
July - September	45%	95%	50%
October - December	77.8%	95%	19.2%
January - March	80.8%	95%	14.2%

Our review of the 3-R Section included a review of a sample of past 3-R reports produced by the Section staff, and we concur with the BBI management with respect to the general level of performance of the 3-R Section. However, our review of the period, October, 1988, through April, 1989, indicated that 3-R reports are produced and sent back to the applicants within two days only 65.5 percent of the time, substantially below the 77.8 percent and 80.8 percent for the second and third quarters, respectively, as reported by the 3-R Section. Given the management's objective of 95 percent of the reports returned within two days, our finding of 65.5 percent results in an actual difference of 29.5 percent from the Bureau's objective. Notwithstanding the desirability of the 95 percent/two day objective, the Budget Analyst has also found that the 3-R Section is incapable of reaching

the objective under the current operating conditions for the following reasons:

- The Section functions in office space that is much too small to facilitate an efficient operation. The 3-R Section shares space with the employee lunch room, in the far corner of the building. Currently, this is the only space in close proximity to the microfilm records, which the Section staff uses on a regular basis. Often, our review of the 3-R files was delayed for significant amounts of time while other employees moved through the lunch room on work breaks. Discussions with the 3-R staff indicate that these interruptions occur often. In addition, the 3-R Supervisor must often move away from his desk in order to let his staff or other employees gain access to some of the 3-R street files, thus reducing his ability to work in an efficient manner. Such poor working conditions also result in low employee morale.

BBI reports that the 3-R Section is scheduled to move to larger space in the basement of the building at 450 McAllister Street sometime in the third quarter of 1989-90. This anticipated move, already delayed because of asbestos removal problems, should not be further delayed, as it should result in a substantial increase in floor space and productivity for the 3-R section.

- The procedures used in the 3-R Section are duplicative and labor intensive and are not efficient, given the current workload. For example, a time and motion study conducted by BBI Administration indicates that approximately 60 percent of the staff's time is devoted to researching the various microfilm and housing records, typing, and proofreading new 3-R reports. To accomplish these tasks, 3-R staff write existing information from old 3-R reports onto worksheets [mentioned previously], verify the accuracy of this information by referring to the microfilm records, and then type the worksheet information onto an official 3-R report. The Section is receiving approximately 1,000 3-R applications each month, and the procedures need to be streamlined to accommodate the workload. Optimally, the 3-R Section should be generating reports from a computerized database that assembles historical information tailored to the applicant's needs.
- The 3-R Report files are cumbersome and not maintained efficiently. Files are organized into 16 file cabinets and arranged by street address. Specific documents are not always filed correctly or in numerical order, causing time delays in searching for old 3-R reports for use as reference. Our sampling of the files indicated that approximately 14 percent of the files are missing or misfiled such that locating a specific report requires inordinate amounts of search time. In addition, all old 3-R Reports are kept and organized in files by street address, thus adding to the volumes of paper that the Section

must examine. These filed reports hinder the staff's ability to maintain an efficient operation. As of the writing of this report, BBI reports that the 3-R Section is in the process of discarding old reports that are unnecessary and which make the files unmanageable.

Reasonableness of the 95 Percent/Two day Objective

The Bureau's time and motion study of the 3-R Section revealed that, on the average, 3-R staff members processed a 3-R report every 25 minutes. Based upon this estimate and the current monthly workload, the 95 percent/two day objective seems reasonable. However, the actual performance of the 3-R Section indicates that the time required to process a form is closer to 35 minutes. The 3-R Supervisor reports that the study assumed full staffing levels and did not take into account staffing shortages due to vacations, sick leave, or actual reductions in staffing. In fact, the point was made that during the time the study was conducted, the 3-R Section was operating with four full-time clerks, with one allocated full-time to typing the reports. Since the study was conducted, the 3-R Section has operated with only three staff members.

Data Processing Needs

The 3-R Section's work essentially involves accessing a large database of information related to specific address locations, and assembling specific pieces of the database into a finished report. Currently, 3-R reports are generated from an entirely manual database that is located in a variety of locations throughout the building. Planning Department staff report that many 3-R reports are inaccurate and contain incorrect zoning information. Optimally, the 3-R Section should be able to access a computer database by street address, block, and lot number, extract all of the relevant information for a 3-R report, and generate a hard copy for public use. BBI administration recognizes this need both for the 3-R Section and at the Bureau-wide level. Their automation plan, as described in Section 5.3 of this report, proposes to implement a computerized database with optical scanning capabilities that would allow the Bureau to store address-specific information directly in a computer database. Such a system would allow the 3-R Section to more efficiently research historical information and generate 3-R reports in a timely manner.

CONCLUSION

The 3-R Section's performance is hindered by poor working conditions, and a clerical procedure that is duplicative, labor intensive, and antiquated. This has resulted in work performance that does not meet their objective of processing reports within two days 95 percent of the time.

RECOMMENDATIONS

The Budget Analyst recommends that the Bureau of Building Inspection:

- Expedite the planned move of the 3-R Section to the basement of 450 McAllister Street as soon as possible.
- Implement the Bureau's automation plan with respect to the needs of the 3-R Section as soon as possible.

BENEFITS/COSTS

Implementation of the above recommendations would improve the 3-R Section's performance, increase the accuracy of 3-R reports, and provide better service to the public.

NOTE: Since this part of the report was prepared, BBI reports that they have rearranged the working area in the back of the ground floor which contains the 3-R Section, the Microfilming Section and the staff lunch room. The 3-R Section is now located in the Microfilming Section, and the staff lunch room now occupies the 3-R Section's old space. This new arrangement should improve the working conditions of the 3-R Section to some extent.

SECTION 4.3: VIOLATION ABATEMENT

THE CITY'S VIOLATION ABATEMENT PROCESS INVOLVES BUILDING AND HOUSING INSPECTORS AS WELL AS CLERICAL SUPPORT. CURRENTLY, 1,229 CASES, OR ABOUT 71 PERCENT OF THE TOTAL CASES, ARE AT LEAST TWO YEARS OLD. THE INAPPROPRIATE AND NON-USE OF THE COMPLAINT TRACKING SYSTEM, THE LACK OF SUPERVISION IN CODE ENFORCEMENT AND OTHER PROBLEMS HAVE LED TO THE LARGE BACKLOG OF BOTH ENFORCEMENT AND ABATEMENT CASES. BY UTILIZING THE COMPLAINT TRACKING SYSTEM AND SUPERVISING THE ADHERENCE TO CODE IMPOSED TIME CONSTRAINTS, THE BACKLOG WOULD BE REDUCED AND THE CODE ENFORCEMENT AND ABATEMENT PROCESS WOULD BE IMPROVED.

The Code Enforcement Violation Abatement process.

Code enforcement in this section is defined as those actions taken by representatives of the Bureau of Building Inspection (BBI), and other City departments whose assistance is requested by BBI, to insure that construction not conforming with the minimum standards of applicable codes is corrected so as to conform with such minimum standards.

Violation abatement in this section is defined as those actions taken by representatives of BBI, beginning with the Director's hearing, and those of other City departments whose assistance is requested by BBI, to insure that construction not conforming with the minimum standards of applicable codes is corrected so as to conform with such minimum standards. Thus used, violation abatement is a subset of code enforcement, and generally is initiated by the Director of Public Works Hearing.

The code enforcement violation/abatement process normally begins in one of two ways:

- Public Complaint Complaints are received by BBI from the public directly or through another City agency and assigned to respective inspectors depending upon the nature of the complaint (i.e. electrical, plumbing, apartment, etc.). Inspectors are required to respond to complaints within 48 hours.

- Inspector Discovery - Inspectors on inspections of either construction jobs or as required by the Housing Code for apartments and hotels.

Following verification of a code violation, the property is posted with a Notice of Violation, setting out the particular code violation and a time in which to correct the violation. If no action is taken by the property owner within the specified period, referral of the case is made to a Superintendent's hearing where the property owner has an opportunity to show cause as to why compliance is not required. If the property owner fails to show sufficient cause as to why compliance with the Notice of Violation is not required, a specified date for compliance with the order is set. Failure to comply at this point activates the violation abatement process defined above.

Individual inspectors from the Building, Plumbing, Electrical and Housing Divisions refer cases that have been upheld at the Superintendent's hearing to the Director's hearing for formal abatement orders. Clerical staff log the violation case into a computerized abatement file and prepare required notices of hearing to the respective parties, including the property owner, via certified/registered mail. At the Director's hearing, an order of abatement is issued, which sets time limits for correction of the violation based on the nature of the violation.

Abatement Appeals Board Following the Director's decision, the property owner is given the right to appeal cases that have been upheld at the Director's hearing to the Abatement Appeals Board (AAB) within ten days. Failure to appeal requires compliance with the Director's findings. Failure to comply with the Director's orders requires referral within five days to the City Attorney.

If the property owner does not comply with either the Director's orders or the Abatement Appeals Board decision within the timeframe outlined in the Code and set by the AAB, the matter is referred to the City Attorney for civil court action.

Given a normal abatement process and no cooperation from the building owner cited, a typical abatement case could take up to two years to resolve, especially if the code violation is not considered a life hazardous situation. However, 71 percent of the abatement cases are at least two years old, with nearly 51 percent of the cases over four years old. Nearly all of the older abatement cases are the responsibility of the Building Inspection Division. One apartment building has not been inspected in 18 years, even though the Housing Code requires an annual inspection. The Housing Inspection Division has not inspected the building because the building still has an order of abatement attached to the building.

Prior to FY 1985-86, the Abatement Section of the Property Conservation Program was responsible for handling individual abatement

cases. The Abatement Section was responsible for the enforcement of code violations in cases where owners refused or were unable to comply with orders, issued by the Director of Public Works at public hearings, to bring their buildings into code compliance. These enforcement activities were performed for all violations of the Building Code whether generated by Property Conservation or other divisions with few exceptions (i.e., RAP, Parapet Safety and Smoke and Heat Detector ordinance). The Section's staffing was 20 individuals, including 15 inspectors.

After FY 1985-86, BBI eliminated the Abatement Section in order to place more emphasis on resolving the violations before they reached the formal abatement process. The Property Conservation Program retained only the clerical staff to continue processing BBI's abatement workload, and the inspectors were transferred into the Building, Plumbing, and Electrical Inspection Divisions.

Under the previous system, individual inspectors referred cases to the Abatement Section that were in excess of six months of non-compliance, whereas the existing process requires individual inspectors to follow the case through to compliance.

The Aging of Open Abatement Cases.

As can be seen from the table on the next page, the significant backlog of cases within BBI's abatement process is due to the inability of the Building Inspection Division to properly continue the abatement process upon transfer of these cases from the Abatement Section in FY 1985-86.

Table 14

Open Abatement Cases As of March, 1989

<u>Year Sent to</u> <u>Abatement</u>	<u>Total Number</u> <u>of Cases</u>	<u>Housing</u>	<u>Building</u>
1989	134	105	29
1988	366	285	81
1987	184	110	74
1986	170	49	121
1985 & prior	<u>875</u>	<u>3</u>	<u>872</u>
Subtotal	1,729	552	1,177
Less:			
Cases Referred to City Attorney	<u>353</u>	<u>94</u>	<u>259</u>
Net	<u>1,376</u>	<u>458</u>	<u>918</u>

Of the cases within the Building Inspection Division dating back to 1985 and prior years, 124 cases were originated prior to 1980, and of these, only 70 have been referred to the City Attorney. The Housing Inspection Division has no cases outstanding prior to 1985 and of the three outstanding from 1985, two remain within the Housing Division with the third referred to the City Attorney's Office for appropriate legal action. Current statistics provided by the Housing Division indicate that a disproportionate high number of new abatement cases (800 per year) are generated by the Housing Division (approximately 70 - 80 percent of the total) with a much smaller number, approximately 65 cases per year or 8 percent generated by the Building Division. The reasons for the backlog of abatement cases are as follows:

1. The various inspection divisions within BBI do not use the Complaint Tracking System to its full capabilities. This hinders the ability of BBI to track code enforcement cases, whether generated via complaint or through routine inspections. The Housing Inspection Division has completely discontinued the use of the Complaint Tracking System and has utilized complaint fact sheets to record complaints, because they report that they do not have the staff to input the data into the System, and their use of the Complaint Tracking System lengthened the Housing Inspection Division's complaint response time. The Building Division only uses the Complaint Tracking System to record the complaint and record its progress only up until the Director's Hearing.

The inefficient utilization of the Complaint Tracking System results in discretionary and insufficient pursuit of abatement of code violations by individual inspectors. This has created a situation where inspectors will defer pursuit of code violations, unless life-threatening, until they can find adequate time to pursue these cases. As greater demands are made on the inspectors' time, through greater code requirements, less time is spent on complaints and code violations.

2. Through review of abatement files and open complaints we found that the inspectors try to work with code violators by granting additional time to the violator to comply, even though the laws allow a reasonable amount of time to abate the violation. While working with code violators in a non-confrontational manner to bring buildings into compliance is reasonable, granting additional time is not reasonable and simply delays the abatement of violations even longer. This situation also creates additional demands upon the inspector's time by requiring subsequent and additional inspections of the buildings in violation.

We also found that once the case was heard by the Director, the inspectors did not actively followup on the case. Many files indicated no further action taken by the inspectors after the Director's Hearing date. As a result, it is impossible to determine whether the violations were ever corrected.

3. An understaffed clerical section, which has assumed clerical responsibilities for the Housing Inspection Division, is unable to provide full-time clerical support to organize Director's Hearing agendas and process correspondence for abatement cases. The present understaffing is further adding to the backlog and the total backlog will continue to increase as the abatement unit clerical staff continues to divide their time providing Housing Inspection Division support and processing abatement cases.

BBI is aware of the existing backlog of open abatement cases and is currently attempting to correct the situation described. BBI has reestablished a code enforcement and abatement section, called the Investigation and Enforcement Division (IED). The new Division's responsibilities are currently under development. Preliminary information indicates that the unit will handle all complaints and code violations, although the formal work plan for the unit has yet to be finalized. The initial organizational chart indicates a structure of a Chief Building Inspector, 1 Senior Building Inspector, 4 Building Inspectors, 1 Housing Inspector and 3 clerical staff. This proposed staffing would be drawn from existing inspector and clerical positions within BBI.

The first task being undertaken by this group is to determine the actual status and count of cases contained within the Building Division. BBI reports that the IED is systematically closing cases regardless of status (other than cases referred to the City Attorney) that are older than 15 years. In addition to these efforts, BBI should determine the status of its existing cases by reinspecting the buildings in violation, pursue immediate abatement, or terminate the case.

The IED is also planning to move to 1390 Market Street to "alleviate a serious overcrowding problem" at the 450 McAllister Street Offices. Conditions at 450 McAllister are discussed in detail in Section 5.2 of this report. The planned move will cost BBI an additional \$36,000 per year in office space rental costs.

Violation Abatement Cases within the Department of City Planning

In the recent management audit of the Department of City Planning (issued in December, 1988), the Budget Analyst also found a significant backlog of Planning Code violation abatement cases amounting to more than 4,500 cases. Our office noted that the Planning Department had insufficient staff to investigate and inspect Planning Code violations and that most code violations involved violations of the Building Code as well as

the Planning Code. The Budget Analyst subsequently recommended, to alleviate the backlog, that the investigative, fact finding, and inspection responsibilities for abating these Planning Code violations be transferred to BBI. In view of this recommendation, it becomes even more imperative that BBI's violation abatement activities and caseload be managed more effectively.

CONCLUSION

Although the abatement process allows reasonable time limits for building owners to abate or resolve code violations, many cases take inordinate amounts of time to abate and has resulted in a continuing backlog of abatement cases.

The abatement process is slow and inefficient because:

- BBI's Complaint Tracking System is not used efficiently or at all as a management tool.
- Code violation time limits are not uniformly enforced.
- An understaffed clerical section must divide their time between Housing Inspection Division and abatement processing functions.

RECOMMENDATIONS

We recommend that BBI:

- Resolve the status of the open abatement cases and either reinspect, pursue immediate abatement, terminate the case, or refer individual cases to the City Attorney, as appropriate.
- Utilize the Complaint Tracking System as a mechanism to keep track of the abatement case population and the status of individual cases.
- Enforce building code time limits in the abatement process and provide greater supervisory review to ensure enforcement of abatement orders.

COST/BENEFITS

Implementing the above recommendations would provide an exact count of open cases that should either be abated, referred to the City Attorney or re-inspected. It would also ensure the full utilization of the Complaint Tracking System to accurately monitor

the performance and status of complaints and should improve the timeliness of code violation abatement. In addition, implementation of these recommendations would alleviate the backlog of abatement cases, permit proper notification of building owners of the orders of abatement, and allow the clerical section to fully use the capabilities of the Complaint Tracking System.

SECTION 5.1: BUREAU OF BUILDING INSPECTION STAFFING, REVENUES, AND EXPENDITURES

THE BUREAU OF BUILDING INSPECTION IS NOT STAFFED TO ADEQUATELY SERVICE ALL OF ITS EXISTING WORKLOADS. BY IMPLEMENTING RECOMMENDATIONS MADE IN THIS AUDIT REPORT, WHICH WOULD PRODUCE SAVINGS OF APPROXIMATELY 12 POSITIONS THAT COULD THEN BE TRANSFERRED TO NEW FUNCTIONS, AND BY OBTAINING BUDGETARY APPROVAL TO FILL 18 NEW POSITIONS, THE BUREAU WOULD BE FULLY STAFFED TO SERVICE ITS WORKLOADS.

The Bureau of Building Inspection is organized as shown in Exhibit 15 on the next page, as previously depicted and discussed generally in the Introduction and discussed more specifically in various sections of this audit report.

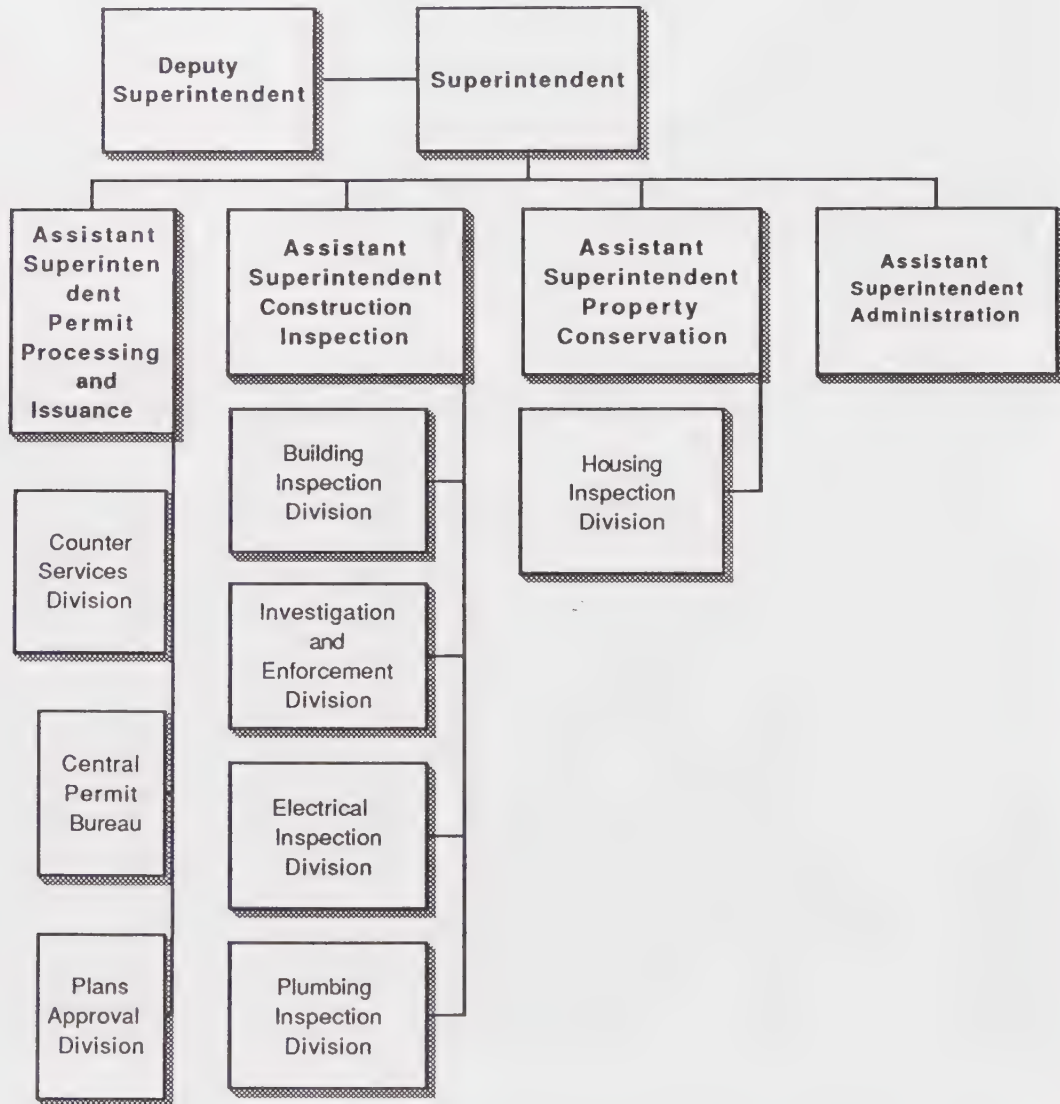
With the cooperation and assistance of BBI we have developed FTE position requirements for the elements of the Permit Processing and Issuance Unit and the Construction Inspection Unit, which are presented in various tables and discussed in this Section, based on workloads and average processing factors supplied by BBI. We have reviewed those factors and believe them to be reasonable estimates for the work involved. However, the factors should be considered provisional pending further workload data collection and analysis. Our calculations for the required FTE positions column in each of the staffing tables are derived by multiplying caseload category totals (Column B) by the average amount of time required to complete a single case (Column D) and then by dividing that product by 1,984 available hours (365 days minus weekends and 13 holidays, multiplied by eight hours per day). A variable factor, dependent on the nature of the work performed in the unit, is added to that total to compensate for productive time that is not specifically allocable to the major workload effort, e.g., inspections or plans. An additional 10 percent factor, the equivalent of approximately four weeks to compensate for sick leave and vacation, is also added.

An analysis of the Housing Inspection Division's professional staff is contained in Section 4.1. of this audit report. The Housing Inspection Division was unable to furnish specific workload data for the HID clerical section, and as such, we are unable to accurately assess their staffing needs. Nonetheless, the Assistant Superintendent for Property Conservation has asserted that the clerical section is understaffed and currently is unable to handle the existing violation abatement caseload and HID's normal inspection workload. While our observations tend to confirm the Assistant Superintendent's belief, without specific data on caseloads or pieces of work, processing times, and performance

standards, we cannot determine the extent to which the HID clerical section needs additional positions at this time.

Exhibit 15

**Bureau of Building Inspection
Organization Chart**



The Investigative Enforcement Division (IED) of the Construction Inspection Unit is a newly created Division with projected staffing of 10 positions. IED will be responsible for the resolution and abatement of all code violations (Violation Abatement is discussed in detail in Section 4.3 of this report). Currently 4 positions within IED are filled, including two supervisory positions. BBI has reported that the remaining positions will be filled by transferring existing Bureau positions into the new Division. While preliminary, the workload data available indicates that the IED will require a total of nine positions rather than the 10 projected by BBI. However, because IED is a new organization and

BBI has not completely determined the actual workloads and responsibilities, we are unable to assess the specific staffing needs of IED.

Permit Processing & Issuance Unit: Counter Services Division

The Counter Services Division (CSD) of the Permit Processing and Issuance Unit is staffed with a total of 15 FTE positions including eleven plan reviewing positions, three clerical positions and one management position. Two of the plan review positions perform supervisory functions in addition to checking plans. Currently, all CSD positions are filled.

Based upon Bureau data furnished by BBI, CSD's workloads, as shown in Table 15, require a total of 13 FTE positions for plan reviews, four more than the current number of positions now allocated and budgeted for plan review. The 13 FTE positions includes non-productive staff time such as vacation and sick leave time. This analysis does not include the time contributed by the two supervising plan reviewers. The addition of their work reduces the staffing requirement by one to a total of three plan review staff needed to handle CSD's current workloads. In order to eliminate the current backlog of 5096 permit applications and process the existing plan review workload in a timely manner, we recommend the addition of three plan review staff at a total annual cost of \$171,600 including salaries and fringe benefits. Plan review staffing needs are summarized below:

Total plan review staffing requirement (FTE)	13
Current Plan review staffing (FTE)	- 9
Contribution of Supervising Plan Review staff (FTE)	- 1
Net plan review staffing need	3

With respect to the clerical section, three Senior Clerk Typist positions are currently assigned to CSD. The CSD workload data indicates the need for four clerical positions. However, Section 2.1 of this audit report describes how duplicative work, representing approximately one FTE clerical position, is currently being performed. This unnecessary work includes the logging in and out of plans/applications on the Bureau's Permit Tracking System when this procedure could be performed by the individual reviewing engineer or plan checker. Consequently, the additional clerical position is not justified. Implementation of our recommendations in Section 2.1 would eliminate the need for the one clerical position at an avoided cost of approximately \$27,550 annually.

Permit Processing & Issuance Unit: Central Permit Bureau

The Central Permit Bureau (CPB) is staffed with a total of 15 positions. CPB's workload data, presented in Table 16, indicate that CPB requires staffing of 21 FTE positions. Most of the staffing need is required for permit counter operations where staff assist applicants with their filing of permit applications or issue building permits to applicants. The Manager of CPB reports that the increasing volume of applications and the increasing complexity in the

information needed on the applications has caused an increase in the time needed to process an application or issue a permit at the counter. In addition, the CPB Manager has stated that the clerical staff manually fill out receipt forms when applicants pay their fees at the counter, and this accounts for much of the time at the counter. BBI has plans to automate much of the permit processing and issuance functions including receipting and fee calculation (This is discussed in Section 5.3). Once these automation improvements are in place, the CPB Manager believes that clerical processing time at the counter could be reduced by as much as 50 percent. Given such an efficiency, the clerical staffing need could be reduced by a total of two positions. CPB's net staffing need would then be four positions as shown below:

CPB staffing requirements based upon workload analysis	21
Current Staffing FTE	<u>15</u>
Projected staffing need	6
Improvement in efficiencies through automation	<u>2</u>
Net clerical staffing need	4

The addition four clerical positions (Senior Clerk Typists) would result in an increased cost to BBI of approximately \$110,200 annually, including salaries and fringe benefits.

Permit Processing & Issuance Unit: Plans Approval Division (PAD)

The Plans Approval Division (PAD) is responsible for reviewing the more complex plan applications received by BBI to insure that the architectural, structural, mechanical, and energy elements of the plans meet the respective code requirements. The workload data, as shown in Table 17, indicate that the PAD Civil Engineering Section is adequately staffed. However, 1.5 FTE positions of the 9.5 current FTE positions include the efforts of three team leaders, each of whom spends approximately half of his time performing plan reviews. Combining the "PAD Civil Engineering" workloads with the "Team Leaders" workload results in a requirement of 11.91 FTE positions, with 11 positions currently assigned. Based on the data and our observations, one additional position for PAD Civil Engineering is required.

One additional position is also required for the Mechanical Review Section of PAD. This Section is responsible for reviewing the heating, ventilation, air conditioning, life safety, and energy aspects of application plans. The Section currently shows no backlogs, due to overtime worked by available plan reviewers.

Sections 3.4 and 3.5 of this audit report contain recommendations for BBI to implement plumbing and electrical plan check services. Projected workloads for those services indicate that a total of three plan reviewers would be required, and we recommend that three positions be allocated and funded for those purposes.

The approximate direct cost of the five recommended positions for the Plans Approval Division would be approximately \$286,000, including mandatory fringe benefits.

Construction Inspection Unit

Professional staff for the three Divisions comprising the Construction Inspection Unit, along with their currently assigned and calculated required FTE positions, are shown in Table 18 and are as follows:

	<u>Required FTE for Current Workload</u>	<u>Currently Assigned FTE Positions</u>
Building Inspection Division	30.82	21.00
Electrical Inspection Division	15.12	20.00
Plumbing Inspection Division	<u>12.03</u>	<u>13.00</u>
Totals	57.37	54.00

As shown, the Construction Inspection unit requires approximately 3.4 FTE positions in order to fully service its current workloads. However, as discussed in Section 3.1, Combination Inspections, we estimate that full implementation of that concept would result in savings of approximately 9.2 FTE inspector positions. Those 9.2 FTE positions could be used to cover the existing shortfall of approximately 3.4 positions and to staff the newly created Investigations and Enforcement Unit. We therefore recommend no new construction inspector positions at this time.

The Construction Inspection clerical staff workload data, depicted in Table 19, shows a shortfall of approximately 3.64 FTE positions. Based on our observations of the Construction Inspection Unit's operations, and with the objective of relieving senior and district inspectors of as much administrative work as possible, we believe that a total of six additional clerical staff could service the current workload and assume responsibility for scheduling inspections for the entire Construction Inspection Unit.

The approximate direct cost of the six recommended positions for the Construction Inspection Division would be approximately \$165,300, including mandatory fringe benefits.

BBI Staffing Recommendations

Table 20 is a summary of the staffing recommendations made in the foregoing parts of this Section.

Table 20

Bureau of Building Inspection Staffing Recommendations			
<u>Staff Element</u>	<u>Professional</u>	<u>Clerical</u>	<u>Total</u>
Counter Services Division	3	0	3
Central Permit Bureau	0	4	4
Plans Approval Division	5	0	5
Construction Inspection	0	6	6
Housing Inspection Division	-2	0	-2
Investigation and Enforcement Division	<u>2</u>	<u>2</u>	<u>2</u>
Totals	8	10	18

The total annual cost of the 18 recommended positions would be approximately \$733,100, including mandatory fringe benefits. Most of the positions recommended would be revenue producing. In addition, BBI's existing surplus of \$2,166,597 would be a source for funding the recommended positions.

BBI Revenues and Expenditures

In July of 1988 the Board of Supervisors approved legislation establishing a Building Inspection Special Fund. That legislation specifies that revenues generated from the Bureau of Building Inspection (BBI) permits and related fees can only be used to recover the costs associated with operating BBI. Therefore, BBI may not set fees for building permits that exceed the costs of providing services related to the building permits. If excess revenues are collected from these fees, State law requires that the excess revenues only be used to reduce the fees generating the excess.

State law does not prescribe any time period in which the excess fees must be used to reduce fee rates. Thus, excess revenues generated in the first year and unused by the end of the second year may be used to offset costs associated with building permits in the third and following years until excess revenues have been depleted. No fee increase may be adopted until all excess revenues generated by the building permit fee are expended.

During FY 1988-89, the first year in which BBI operated as a Special Fund, the Bureau received \$13,628,608 in operating revenues from fees. Bureau expenses for FY 1988-89 amounted to \$11,462,011, including \$5,553,758 in overhead

costs. BBI revenues and expenses for FY 1988-89 and projected revenues and expenditures for FY 1989-90 are summarized as follows:

Table 21

**Bureau of Building Inspection
Revenues and Expenditures**

		<u>FY1988-89¹</u>	<u>FY1989-90²</u>
Revenues		\$13,628,608	\$15,147,110
Expenditures:			
Salaries	4,884,290		
Overhead:			
COWCAP ³	136,551		
Bureau	1,013,490		
DPW	541,668		
Paid Leave	1,099,454		
Mandatory Fringes	1,162,461		
Operating Expenses	2,024,097		
Total Expenditures		<u>11,462,011</u>	<u>15,117,680</u>
Net Operating Revenues		\$2,166,597	\$29,430

As shown, the Bureau's revenues exceeded its total expenditures in FY 1988-89 by the amount of \$2,166,597 or 18.9 percent. Some portion of the \$2,166,597 is due to revenues collected up front for plan checking and for inspections that had not been accomplished as of June 30, 1989. Further, fees collected up front for apartment and hotel licenses, which carry over into the new fiscal year by three and six months, respectively, account for approximately, \$637,969, according to BBI's Deputy Superintendent for Administration. In order to determine the exact amount of such "unearned revenues," it would be necessary for BBI to implement a cost accounting system, which would track and capture cost data by individual permit. Such a system would be costly and time consuming, and we do not recommend the implementation of such a system.

Given the foregoing, we recommend that no change be made to BBI's current fee structure, but that revenues earned and expenditures incurred be closely monitored to determine any diverging trends and that an in depth evaluation of the Bureau's revenue and expenditure status be performed at the end of the special fund's second year of operation.

¹Actual revenues and expenditures

²Budgeted revenues and expenditures

³County-wide Cost Allocation Plan

CONCLUSION

The Bureau of Building Inspection is not staffed to adequately service all of its existing workloads. By implementing recommendations made in this audit report, which would produce savings of approximately 12 positions, and by obtaining budgetary approval to fill 18 other positions, the Bureau would be fully staffed to service its workloads.

RECOMMENDATIONS

We recommend that the Superintendent, Bureau of Building Inspection:

- Submit supplementary budget requests to obtain budget authority to fill the professional and clerical positions recommended in this audit report.
- Transfer two professional positions from the Housing Inspection Division to the Investigation and Enforcement Division.
- Closely monitor the behavior of the Bureau's revenues and expenditures and submit a revenue and expenditure report to the Chief Administrative Officer and to the Director of Public Works as soon as possible after obtaining final operating results for FY 1989-90.

BENEFITS/COSTS

The benefit of implementing the recommendations made in this Section is that the Bureau of Building Inspection would be resourced to provide needed additional construction-related services. Further, the Bureau would be able to enhance the level of the current services it provides. The cost of implementing these recommendations would be approximately \$733,100, annually, all of which would be funded by the Special Building Fund.

TABLE 15: Counter Services Division Workloads

	A	B	C	D	E	F	G	H	I	J	K
1		<u>Current Workloads and Required FTE</u>						<u>Backlogged Workloads and Required FTE</u>			
2	Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
3		Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
4	Counter Services Division (CSD)	load		Required	Current			(Cases)	(Time)	Backlog	
5		(Cases)		(Hours)	Workload						
6	CSD Plan Checkers										
7	Application intake	14,735	asap	0.25	1.86	2.00					
8	Over-the-Counter Permits	3,449	asap	0.33	0.57	0.62					
9	Code inquiries - counter	9,600	asap	0.17	0.82	0.89					
10	Code Inquiries - phone	14,400	asap	0.08	0.58	0.63					
11	Written code inquiries	240	asap	1.50	0.18	0.20					
12	Review applications without plans	1,455	1day	0.67	0.49	0.53					
13	Plans, CSD	6,841	5 Days	1.33	4.59	2.29		5,096	6,778	3.42	
14	Plans, CTI	1,150	1 day	2.50	1.45	1.56					
15	Handicapped appeals	72	10 day	2.00	0.07	0.08					
16	Handicapped counter code inquireis	720	asap	0.25	0.09	0.10					
17	Handicapped phone code inquiries	1,150	asap	0.16	0.09	0.10					
18	Sub-total				10.80	9.00					
19	Productive - Inspection Related (2% of Inspection-related Time)				0.22						
20	Non-productive time (10% of Inspection and Other Productive Time)				1.10						
21	CSD Work Being Performed				12.11	9.00					
22	Energy Conservation/Title 24	7,991	5 day	0.33	1.33	0.00					
23	Permit History Review	16,906	5 day	0.25	2.13	0.00					
24	Pre-site inspections	3,420	5 day	0.75	1.29	0.00					
25	Cite proper code sections	7,991	5 day	0.17	0.68	0.00					
26	Final application review	14,735	asap	0.17	1.26	0.00					
27	Sub-total				6.70	0.00				3.42	
28	Productive - Inspection Related (2% of Inspection-related Time)				0.13						
29	Non-productive time (10% of Inspection and Other Productive Time)				0.68						
30	CSD Work Not Being Performed				7.52	0.00					
31	Plan Checkers Sub-total				19.63	9.00				0.00	

TABLE 15: Counter Services Division Workloads

	A	B	C	D	E	F	G	H	I	J	K
32		Current Workloads and Required FTE						Backlogged Workloads and Required FTE			
33											
34	Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
35		Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
36		load		Required	Current			(Cases)	(Time)	Backlog	
37		(Cases)		(Hours)	Workload						
38											
39	Clerical staff										
40	Telephone	36,000	asap	0.03	0.54	0.65				0.00	
41	Mailed in permits	6,367	1 day	0.33	1.06	0.73		3,045	1,015	0.51	
42	Application log-in	9,446	1 day	0.03	0.14	0.15				0.00	
43	Routing log	19,776	1 day	0.08	0.80	0.80		5,259	420	0.21	
44	Finals to CPB	13,451	1 day	0.17	1.15	0.50		5,512	937	0.47	
45	Board of Permit Appeals	690	1 day	0.17	0.06	0.06				0.00	
46	Handicapped Appeals Board	72	asap	1.50	0.05	0.06				0.00	
47	Gas Station Conversion	42	asap	0.33	0.01	0.01				0.00	
48	Cancellations and disapprovals	240	1 day	0.33	0.04	0.04		120	40	0.02	
50	Sub-total				3.86	3.00				1.21	
52	Non-productive time (10% of Inspection and Other Productive Time)				0.39						
53	Clerical Sub-total				4.24	3.00				1.21	
54	Management				3.00	3.00					
55	Counter Services Division Totals				26.87	15.00				1.21	

TABLE 16: Central Permit Bureau Workloads

	A	B	C	D	E	F	G	H	I	J	K
1	Current Workloads and Required FTE						Backlogged Workloads and Required FTE				
2											
3	Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
4		Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
5		load		Required	Current			(Cases)	(Time)	Backlog	
6		(Cases)		(Hours)	Workload						
7											
8	Central Permit Bureau										
9	Applications filed	25,617	same day	0.33	4.26	2.50		300	126	0.05	
10	Applications input	17,931	1 day	0.07	0.63	0.44		400	28	0.01	
11	Building permits issued	24,970	same day	0.33	4.15	2.50		300	126	0.05	
12	plumbing permits issued	12,509	1 day	0.12	0.76	0.65		20	2	0.00	
13	Electrical permits issued	16,776	1 day	0.12	1.01	0.85		10	1	0.00	
14	Misc. permits issued	4,294	1 day	0.16	0.35	0.20		5	1	0.00	
15	Notifications, demolitions	313	1 day	2.50	0.39	0.40		5	13	0.01	
16	Notifications, structures	1,015	1 day	0.50	0.26	0.25		0	0	0.00	
17	Notifications, cancellations	963	1 day	0.25	0.12	0.50		180	45	0.02	
18	Notifications, special	295	1 day	0.25	0.04	0.04		0	0	0.00	
19	Applications cancelled	1,408	7 Days	0.15	0.11	0.15		30	5	0.00	
20	Applications withdrawn	71	3 Days	0.15	0.01	0.04		7	4	0.00	
21	TIDF	2,695	2 days	0.11	0.15	1.50		15	2	0.00	
22	SFUSD	1,762	2 days	0.11	0.10	0.50		7	1	0.00	
23	Refund processed	1,632	10 days	1.00	0.82	0.30		0	0	0.00	
24	Postings	448	1 day	1.00	0.23	0.15		0	0	0.00	
25	Job Cards	20,000	5 days	0.02	0.20	0.07		20,000	400	0.20	
26	Workers Compensation certification	5,472	1 day	0.34	0.94	0.25		40	14	0.01	
27	Applications approved	10,228	1 day	0.07	0.36	0.25		100	7	0.00	
28	Street excavation permits	36	30 days	3.00	0.05	0.01		15	45	0.02	
29	SMIP reports	4	15 days	6.00	0.01	0.00			12	0.00	
30	Telephones	51,000	5 rings	0.05	1.29	0.60		0	0	0.00	
31											

TABLE 16: Central Permit Bureau Workloads

	A	B	C	D	E	F	G	H	I	J	K
3 2		<u>Current Workloads and Reuired FTE</u>						<u>Backlogged Workloads and Required FTE</u>			
3 3											
3 4	Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
3 5		Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
3 6		load		Required	Current			(Cases)	(Time)	Backlog	
3 7		(Cases)		(Hours)	Workload						
3 8	General inquiries	5,525	same day	0.16	0.45	0.46		0		0.00	
3 9	Screening	24,970	same day	0.01	0.13	0.09		200	2	0.00	
4 0	Street Addresses	520	2 days	0.50	0.13	0.20		3	2	0.00	
4 1	Cashier	2,040	8 hrs.	8.00	1.00	1.00		0	0	0.00	
4 2	Correspondence	136	1.5 hrs.	1.50	0.10	0.10		10	15	0.01	
4 3											
4 4	Sub-total	232,630			18.04	14.00				0.39	
4 5	Non-productive time (10% of Productive Time)				1.80						
4 6	CPB Management				1.00	1.00					
4 7	Central Permit Bureau Sub-total				20.84	15.00				0.39	

TABLE 17: Plans Approval Division Workloads

	A	B	C	D	E	F	G	H	I	J	K
1	<u>Current Workloads and Reuired FTE</u>							<u>Backlogged Workloads and Required FTE</u>			
2											
3	Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
4		Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
5		load		Required	Current			(Cases)	(Time)	Backlog	
6		(Cases)		(Hours)	Workload						
7											
8	PAD Civil Engineering										
9	Plan review	2,200	5 days	7.00	7.76	8.00		80	480	0.28	
10	Consultation	600	asap	0.33	0.10	0.61				0.00	
11	Counter	1,800	asap	0.12	0.11	0.15				0.00	
12	Special inspections	1,200	1 day	1.00	0.60	0.70				0.00	
13	Field inspections	24	1 day	4.00	0.05	0.04				0.00	
14	Sub-total				8.62399	9.5				0.2823	
15	Productive - Inspection Related (2% of Inspection-related Time)				0.17						
16	Non-productive time (10% of Inspection and Other Productive Time)				0.88						
17	Civil Engineering Total				9.68	9.50				0.28	
18											
19	Mechanical Review										
20	Plan Review	2,200	2.5 days	2.00	2.22	2.00				0.00	
21	Consultation	800	asap	1.00	0.40	0.25				0.00	
22	HVAC plan review	1,200	1 day	1.75	1.06	0.70				0.00	
23	Life Safety plan review	50	1 day	4.00	0.10	0.05				0.00	
24	Sub-total				3.78024	3				0	
25	Productive - Inspection Related (2% of Inspection-related Time)				0.08						
26	Non-productive time (10% of Inspection and Other Productive Time)				0.39						
27	Mechanical Review Total				4.24	3.00				0.00	
28											
29											
30											
31											

TABLE 17: Plans Approval Division Workloads

	A	B	C	D	E	F	G	H	I	J	K
3 2	<u>Current Workloads and Reuired FTE</u>						<u>Backlogged Workloads and Required FTE</u>				
3 3											
3 4	Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
3 5		Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
3 6	Clerical	load		Required	Current			(Cases)	(Time)	Backlog	
3 7		(Cases)		(Hours)	Workload						
4 0	Application In	3,000	1 Day	0.26	0.39	0.25					
4 1	Application Out	2,600	1 Day	0.20	0.26	0.30					
4 2	Cancellations	240	1 day	0.08	0.01	0.05				0.00	
4 3	Cancellation notices	700	1 day	0.28	0.10	0.10		60	17	0.01	
4 4	Extensions	460	1 day	0.08	0.02	0.04		50	4	0.00	
4 5	Telephone	12,000	asap	0.03	0.18	0.30				0.00	
4 6	Time records	4,850	asap	0.06	0.15	0.10				0.00	
4 7	Correspondence	1,100	1 day	0.30	0.17	0.22				0.00	
4 8	Mail	3,300	1 day	0.01	0.02	0.03				0.00	
4 9	Filing	1,200	1 day	0.03	0.02	0.08				0.00	
5 0	Copying	4,900	asap	0.02	0.05	0.05				0.00	
5 1	Incomplete job accounting	200	asap	0.50	0.05	0.15				0.00	
5 2	Soil reports	365	1 day	0.10	0.02	0.05				0.00	
5 3	Project tracking	800	1 day	0.15	0.06	0.13				0.00	
5 4	Revisions	1,800	1 day	0.10	0.09	0.15				0.00	
5 5	Sub-total	0	0.00	0.00	1.58	2.00				0.02	
5 6	Non-productive time (10% of Inspection and Other Productive Time)				0.16						
5 7	PAD Clerical Total				1.74	2.00				0.02	

TABLE 17: Plans Approval Division Workloads

	A	B	C	D	E	F	G	H	I	J	K
58	<u>Current Workloads and Reuired FTE</u>							<u>Backlogged Workloads and Required FTE</u>			
59											
60	Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
61		Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
62		load		Required	Current			(Cases)	(Time)	Backlog	
63		(Cases)		(Hours)	Workload						
64											
5	Team Leaders										
66	Plan review	800	1 day	3.00	1.21	1.00				0.00	
67	Consultation	600	asap	0.33	0.10	0.10				0.00	
68	Counter	600	asap	0.33	0.10	0.10				0.00	
69	Special inspections	500	1 day	1.00	0.25	0.10				0.00	
70	Field inspections	12	1 day	4.00	0.02	0.03				0.00	
71	Evaluation reports	12	5 days	2.00	0.01	0.15				0.00	
72	Product App?	120	5 days	2.00	0.12	0.01				0.00	
73	Pre Application meeting	170	3 days	2.00	0.17	0.01				0.00	
74	Sub-total				1.98992	1.5				0	
75	Productive - Inspection Related (2% of Inspection-related Time)				0.0398						
76	Non-productive time (10% of Inspection and Other Productive Time)				0.20297						
77	PAD Team Leaders Total				2.23	1.50				0.02	
78											
79	Work required but not performed										
80	Electrical plan review	1,000	1 day	3.00	1.51	0.00				0.00	
81	Plumbing plan review	1,000	1 day	3.00	1.51	0.00				0.00	
82	Appointment scheduling	800	asap	0.08	0.03	0.00				0.00	
83	Sub-total	16,850	0.00	0.09	3.06	0.00				0.00	
84	Productive - Inspection Related (2% of Inspection-related Time)				0.06					0.00	
85	Non-productive time (10% of Inspection and Other Productive Time)				0.31						
86	Work Required but not Performed Total				3.43	0.00				0.00	
87	PAD Management				2.00	2.00					
88	Plans Approval Division Totals				23.32	18.00				0.31	

TABLE 18: Construction Inspection Workloads

	A	B	C	D	E	F	G	H	I	J	K
1		Current Workloads and Required FTE						Backlogged Workloads and Required FTE			
2											
3	Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
4		Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
5	Category I- Productive	load		Required	Current			(Cases)	(Time)	Backlog	
6	Case Related	(Cases)		(Hours)	Workload						
7											
8	Building Inspection Division										
9	Permits	18,328			0.00						
10	Building Inspections	50,239	24 Hours	0.65	16.46	18.00					
11	Permit Expirations	4,500	Same Day	0.50	1.13	0.00					
12	Mechanical Inspections	4,000	24 Hours	0.50	1.01	0.00					
13	Site Inspections	5,000	24 Hours	0.20	0.50	0.00					
14	Sub-total				19.11	18.00					
15	Productive - Inspection Related (20% of Inspection-related Time)				3.82						
16	Non-productive time (10% of Inspection and Other Productive Time)				2.29						
17	Management				5.00	3.00					
18	Building Inspection Total				30.22	21.00					
19											
20	Electrical Inspection Division										
21	Permits	17,700									
22	Electrical Inspections	35,726	24 Hours	0.50	9.00	16.80					
23	Complaint & Special Inspections	480	24 Hours	0.75	0.18	0.20					
24	Sub-total				9.18	17.00					
25	Productive - Inspection Related (20% of Inspection-related Time)				1.84						
26	Non-productive time (10% of Inspection and Other Productive Time)				1.10						
27	Management				3.00	3.00					
28	Electrical Inspection Total				15.12	20.00					
29											
30											
31											

TABLE 18: Construction Inspection Workloads

	A	B	C	D	E	F	G	H	I	J	K
32		<u>Current Workloads and Required FTE</u>						<u>Backlogged Workloads and Required FTE</u>			
33											
34	Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
35		Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
36	Category I- Productive	load		Required	Current			(Cases)	(Time)	Backlog	
37	Case Related	(Cases)		(Hours)	Workload						
38	Plumbing Inspection Division										
9	Permits	11,095									
40	Plumbing Inspections	29,040	24 Hours	0.50	7.32	11.50					
41	Special Inspections	561	24 Hours	1.00	0.28	0.50					
42	Sub-total				7.60	12.00					
43	Productive - Inspection Related (20% of Inspection-related Time)				1.52						
44	Non-productive time (10% of Inspection and Other Productive Time)				0.91						
45	Management				2.00	1.00					
46	Plumbing Inspection Total				12.03	13.00					
47											
48											
49											
50											
51											
52											
53											
54											
55											
56											
57											
58											
59											
60											
61											
62											

TABLE 19: Construction Inspection Clerical Workloads

	A	B	C	D	E	F	G	H	I	J	K
1		Current Workloads and Required FTE						Backlogged Workloads and Required FTE			
2											
3	Activity	Annual	Perform.	Average	Required	Current		Current	Current	FTE	Remarks
4		Work-	Standard	Time	FTE -	FTE		Backlog	Backlog	for	
5		load		Required	Current			(Cases)	(Time)	Backlog	
6		(Cases)		(Hours)	Workload						
7											
8	Construction Inspection - Clerical										
9	Telephone	206,727	5 Min	0.03	3.13	2.86					
10	Permit filing	53,888	1day	0.04	1.09	0.78					
11	Timecards	6,280	1 hr	0.04	0.13	0.16					
12	Computer input	50,259	1 day	0.07	1.77	1.00					
13	Counter interaction	20,764	5 min	0.08	0.84	0.52					
14	Correspondence	4,635	5 day	0.50	1.17	0.66					
15	Complaints	4,500	1 day	0.17	0.39	0.24					
16	Parapet	1,300	2 day	0.20	0.13	0.05					
17	Billing	13,000	1 day	0.06	0.39	0.28					
18	BPA	520	2 days	1.50	0.39	0.45					
19	Special inspections	2,200	1 day	0.17	0.19	0.00					
20	Special reports	120	5 days	1.00	0.06	0.00					
21	Construction Inspection Clerical Sub-Total				9.67	7.00					
22	Non-productive time (10% of Case Time)				0.97						
23	Construction Inspection Clerical Totals				10.64	7.00					
24											
25	Supervision				1.00	1.00					
26	Construction Inspection Clerical Totals				11.64	8.00					
27											
28											
29											
30											

SECTION 5.2: WORKING CONDITIONS

THE DEPARTMENT OF CITY PLANNING AND THE BUREAU OF BUILDING INSPECTION ARE BOTH LOCATED IN THE CITY HALL ANNEX LOCATED AT 450 McALLISTER. WORKING CONDITIONS IN THAT BUILDING FROM BOTH SAFETY AND EFFICIENCY ASPECTS ARE DEPLORABLE. THE BUILDING IS FILTHY, DOES NOT MEET CODE VENTILATION OR LIGHTING REQUIREMENTS, AND INDIVIDUALS IN SOME SECTIONS AVERAGE LESS THAN 50 SQUARE FEET OF WORKING AREA.

Recently, the Bureau of Building Inspection announced job openings for two 1426, Senior Clerk Typist, positions in its Central Permit Bureau, located on the first floor of 450 McAllister. There were a total of six names on the Civil Service Commission's eligibility list. Of that total, BBI interviewed four persons for the position. Of those four interviewed, BBI made a total of four job offers and none of the people accepted the offers. As reported by BBI managers, the reason given by the applicants who waived the position was that the poor condition of the building and the cramped working conditions made the prospect of working in BBI very unattractive.

The City Hall Annex (Annex) at 450 McAllister was erected in the early 1930s. The building consists of a basement and seven floors above ground level, including a roof lounge area, and consists of approximately 43,345 square feet of office space. The Bureau of Building Inspection is located on the first three floors and maintains much of its computer capability in the basement. The Department of City Planning is located on floors four through six. Adjacent to the building is a City-owned lot, at the corner of McAllister and Polk streets. That lot is leased to a management company for use as a parking lot.

The Annex is noticeably unattractive from the exterior, particularly the entryway, which is perpetually dirty. Upon first entering, one quickly discerns

that the building is poorly maintained and that a new floor covering would do much to enhance the ambiance of the surroundings. Further into the interior of the first floor is the location of the Counter Services Division, the Central Permit Bureau, the Electrical Inspection Division, and the Plumbing Inspection Division. All permit applications and plans are initially reviewed and permits issued on the first floor behind the counters. Of all the work spaces in the building the areas behind the permit counter are the worst. There are plans, papers, forms, and other paraphernalia in open temporary storage throughout the area, all susceptible to misplacement or loss. On one side of the area, inadequate desks in cramped stations are used by plan checkers to review plans; it is obvious to the casual observer that tables with sufficient space on which to lay out plans are needed. The Central Permit Bureau area adjacent to the Counter Services Division is an area containing activities ranging from calculating fees, issuing various permits, explaining verifying contractors' licensing and workers' compensation insurance, microfilming plans, and other activities. To the rear of the Central Permit Bureau is located the three-person Report of Residential Building Record (3R Report) area. Its facilities are the worst in the entire building. The 3-R Section's space is so limited that their office also functions as the ground floor's staff lunch room. Section 4.2 describes in detail the needs of the 3-R Section.

The second worst area in the Annex is the rear area of the second floor reserved for architectural, structural, and mechanical plan checking by BBI's engineers. The area is so filled with building plans and is so filthy and cramped as to cause wonder how anyone can adequately check plans in the area.

The situation described is found in varying degrees of severity throughout the Annex. Some areas, namely the Plans and Programs area on the fourth floor and BBI's Housing Division on the third floor have adequate space to permit efficient functioning, although each is in some way lacking as an adequate workspace.

The following quotation is from a report titled "Report to the Department of City Planning on Physical Conditions, Spatial Arrangements and Organizational Structures," dated January, 1989. The author is Dr. Barbara Joans, Urban Anthropologist on the faculty of the University of California, Santa Cruz.

WORK ENVIRONMENT

"Since this is a short term research I concentrated upon the immediate work environment. Issues of space selection/allocation, traffic flow and general satisfaction became the first concerns.

- | | |
|-------------------|-----------------------------|
| question 1 | - is the space safe? |
| question 2 | - is the space comfortable? |
| question 3 | - is the space adequate? |
| questions 1 and 2 | - is the space safe? |
| | - is the space comfortable? |

There appears to be complete agreement on the answers to the first two questions. From Planner Is to Director of the Department, everyone concurs that the physical working conditions are deplorable. Words like abominable, terrible, dirty, unsanitary, dusty, filthy, stifling or freezing, and depressing appear any time anyone is asked to describe the workplace. From my own observations, the staff and management both underplay how truly terrible their work conditions actually are. There is no question that the levels of dirt, (stains on walls, carpets and halls) grime, (inches thick on blinds, cabinets and windows) and filth (bathrooms, stairs and hall trash bags) are high. The building also has problems with ventilation, (dust gets recirculated) light (too few individual lamps or outside windows) and visuals (open cable and phone wiring on walls). The amount of mismatched, worn out carpet, mismatched, falling apart chairs and mismatched desks and partitions is stunning. The overall visual impact upon entering the work area is one of physical, psychological and personal chaos. The effect of such a work space is heightened because there is no place to go to escape the immediate environment. The absence of an accessible, comfortable lounge keeps employees from having a nearby place to unwind, take a break, eat their lunch or have a cup of coffee. The absence of a lounge also functions to keep people from the different floors separate. They have no neutral common area where they can visit. The roof penthouse space is not seen as a satisfactory lounge area because of its deplorable condition, because of its inappropriate location and because the facility is not limited to the Planning Department.

Safety is also an important issue. The minimum safety standards are not followed. Boxes block safety exits, book shelves tower unsteadily over workers and file cabinets open directly onto major circulation corridors. So long as current spatial arrangements continue, safety measures cannot be put into effect. In most areas the crowding and overcrowding is so intense that it would require a major reorganization of space use to solve the safety issue."

A significant point regarding Dr. Joan's report is that the observations apply primarily to the fourth, fifth, and sixth floors, Department of City Planning areas. BBI's first, second, and third floor areas are much worse, and in some cases, very much worse.

We asked the Fire Department and the Bureau of Building Inspection to conduct inspections of the City Hall Annex to determine the conformance of the building with the Fire and Building Codes. A joint Fire Code and Building Code inspection was conducted on July 24, 1989, and the results of those inspections are shown as Exhibit 15 and Exhibit 16 on the following pages this Section. Inspection notes show the City Hall Annex to be in such deplorable condition as to constitute an "immediate fire hazard" and to contain "significant problems noted in general maintenance and exiting."

The City's 'Civic Center Proposal', published in November, 1987, and accepted in principle by the Board of Supervisors in December, 1987, includes the recommendation to construct City office buildings on the Grove and McAllister blocks to meet office space needs for City departments. The section of the Report including that recommendation contains the following statement as regards the City Hall Annex:

The development of the McAllister Block assumes the demolition of the City Hall Annex Building at 450 McAllister Street, an inefficient and unsuitable building now occupied by the Department of City Planning and the Department of Public Works. This action is suggested to achieve the best design continuity along the McAllister Street frontage located across from City Hall....

We concur with the recommendation for the eventual demolition of the existing City Hall Annex and recommend that any short-term actions taken to remedy the existing health, safety, and efficiency shortcomings of the building be in accordance with the plan to demolish the building.

CONCLUSION

The City Hall Annex, which houses the Department of City Planning and the Department of Public Works' Bureau of Building Inspection, is in deplorable condition. Inspections conducted for conformance with the Fire Code and the Building Code reveal the Annex to be unsafe from both a fire aspect and seismically. In addition, the building is filthy and not conducive to employee health or morale.

RECOMMENDATIONS

We recommend that the Director of the Department of Public Works:

- Immediately correct the City Hall Annex safety and health deficiencies noted in the Fire Code and Building Code inspection reports of July 24, 1989.

We recommend that the Director of the Department of Public Works and the Director of Planning:

- Make every effort to ensure that the maintenance and upkeep of the City Hall Annex be accomplished in as satisfactory a manner as possible, given the extreme limitations of the existing site.

We recommend that the Chief Administrative Officer:

- Expedite the execution of the Civic Center Plan concerning the construction of a new City Hall Annex.

BENEFITS / COSTS

The implementation of these recommendations would result, in the short term, with working conditions for City Planning and BBI that meet the minimal standards of the Building Code and the Fire Code. In the long term, the benefit of providing a workplace that is conducive to safety and employee morale would enhance motivation and work output.



MEMORANDUM

Date: July 25, 1989

To: L.L. Litchfield, Superintendent

Through: Dot Yee, Deputy Superintendent

From: Bob Kelley, Assistant Superintendent

Re: Inspection of 450 McAllister Street

A handwritten signature in dark ink, appearing to be "Bob Kelley", written over the "From:" line of the memorandum.

At your request an inspection of 450 McAllister Street was made on July 24, 1989 in the company of Lieutenant W. Jovick of the San Francisco Fire Department and Stan Jones of the Budget Analyst's office. That inspection revealed that overall the building is in fair condition with significant problems noted in general maintenance and exiting. These significant problems seem to be the result of the general deterioration of older building systems and high intensity of the use of space causing overcrowding of work areas and encroachment into paths of exit travel.

The following is a list of specific items noted during that inspection which may require attention to maintenance and/or repair:

- roof downspout penetrates side of building without proper sealing
- plumbing vents do not properly extend above roofs at numerous locations
- penthouse windows show signs of water leakage and inadequate waterproofing
- paint peeling from penthouse
- splash block should be provided under downspout draining upper penthouse roof
- broken windows noted throughout building, including elevator equipment penthouse, Room 201
- glass in skylights on top roof broken
- screening at roof ventilators entirely rusted away
- penthouse interior shows evidence of extensive water leakage and subsequent dry-rot and wood damage in wood floor.



- sink in penthouse not properly vented
- lock at door at top of stairway enclosure to be operable for exiting from penthouse
- stairway enclosure not properly vented at top (6 square feet of vent now provided)
- stairway enclosure doors throughout are not properly self-closing and latching
- stairway enclosure improperly used to vent men's toilet room at basement level
- doors entering stairway enclosure landings block path of exit travel (reduce clear exit width to 17 1/2 inches)
- shaft for plumbing behind utility rooms is not properly protected due to missing protection at openings and opening of shaft to other areas
- utility room doors not in place on all floors; not maintained as self-closing as apparently originally constructed
- storage in utility rooms reduces required clearance in front of electrical panels
- holes core-drilled through concrete floors are not sealed, permit smoke passage between floors and from concealed spaces
- faucet extensions in sinks in utility rooms (attached hoses) pose serious backflow contamination risk
- wires run across floors on 6th, 4th, 2nd and 1st floors pose trip hazard.
- large hole in ceiling in room 605 where apparent plumbing repairs have been made
- glue-applied ceiling tiles are falling from ceiling throughout building (many seen peeling off, many missing)
- fire escapes at rear of building are blocked on all floors by glass draft diverters, desks, storage, utility monuments and/or other obstructions
- directional signs and identification signs for fire escapes are not properly provided



- lock on doors at 5th and 4th floor lobby blocks access to fire escape
- storage racks with upper storage level at over 8 feet in height are not properly secured against lateral movement in locations throughout the building
- extensive storage of boxes on top of storage racks on 3rd floor rear presents a serious hazard from heavy falling objects during normal use of space and poses a substantial extra seismic hazard
- interior partitions throughout building, especially 4th and 2nd floors, are falling over and pose a hazard to exiting in case of emergency
- some office spaces on all floors are not provided with adequate exiting due to partition layouts
- office spaces throughout building are not provided with minimum aisle widths for exits or for handicapped access
- no ventilation is provided to 2nd floor rear small conference room
- interior surfaces (ceilings, walls) are filthy throughout, have peeling paint, deteriorated plaster, open holes
- reflective film on windows peeling off in many locations
- windows throughout building are filthy inside and outside
- floors throughout are filthy, carpeting where provided is badly worn, trip hazards exist at many thresholds
- ceiling grid and skylight frame on first floor badly deteriorated
- debris and storage blocking rear exit on first floor
- less than standard required headroom provided inside rear exit due to encroachment of HVAC equipment
- open electrical boxes and equipment throughout basement
- area under stairway enclosure has debris, rotted organic material and rubbish



- water leakage noted under front sub-sidewalk space
- exterior of building has paint peeling, especially at wood window areas
- minor concrete spalling with evidence of reinforcing steel rusting through to surface at NE exterior corner of building
- cracks and holes in front and rear sidewalk pose serious tripping hazard
- storage of trash cans under fire escape counter-balanced ladder blocks emergency egress

Please note that no complete plumbing, electrical or mechanical inspection was made at this time. For further information regarding this inspection or these issues, please contact Laurence Kornfield, Chief Building Inspector, at 558-6092.

July 25, 1989

Mr. L. L. Litchfield, Superintendent
Bureau of Building Inspection
450 McAllister Street
San Francisco, CA 94102

SUBJECT: 450 McAllister Street

Dear Mr. Litchfield:

An inspection of the City owned building at 450 McAllister on July 24, 1989 revealed the following conditions:

1) Wet Standpipes

1. Requires 5 year test w/State Fire Marshal Certification.
2. Is in an inoperable condition.
Roof Valve is missing
Hose is damaged on many floors
Valves do not open because of lack of service.
3. Penthouse outlets are not accessible.
4. Standpipe outlets are in poor location for F.D. use.

2) Sprinkler System

1. Requires 5 year test w/State Fire Marshal Certification.
2. Will not provide proper coverage in basement,

because it is not designed for the present use of the basement.

3) General conditions

1. There is an extreme fire load on many floors because of papers, files, plans and a general overcrowding.
2. The housekeeping of the building is poor and would contribute to the spread of fire.
3. An unprotected virtual shaft exists from the basement to roof would add to the rapid spread of smoke and fire.
4. Many penetrations exist in floors.
5. Trash is stored in Utility rooms on floors 2,4,5 & 6.
6. Hazardous use of electrical cords exists in the penthouse, floors 6, 4, 2 and room 305.

- Roof -
- 1) Requires exit sign
 - 2) Improper lock may trap workers on the roof
 - 3) Lacks second exit.
- 6th Floor -
- 1) No closer on stairway door
 - 2) No exit signs
 - 3) Hazardous cord wiring throughout the floor
 - 4) No sign for Fire Escape
- 5th Floor -
- 1) Room 504 - improper lock on the door
 - 2) No exit signs
 - 3) Exit partitions are improperly placed on the floor area
- 4th Floor -
- 1) Room 403 has improper exit arrangement.
 - 2) No exit signs
 - 3) Exit partitions are improperly placed on the floor area
 - 4) Blocked Fire Escape.
 - 5) Hazardous cord wiring
- 3rd floor
- 1) Room 305 has a double key lock - improper lock

- 2) Combustibles stored to ceiling on rack
- 3) Blocked fire escape.
- 4) Using illegal electric stove in office area.

- 2nd floor
- 1) No exit signs
 - 2) Overcrowded condition on the first floor for workers
 - 3) Improper exiting through more than one adjoining room
 - 4) Rear exit blocked
 - 5) Illegal double key lock
 - 6) Sprinklers cap missing
 - 7) Trash stored under fire escape

- Basement -
- 1) Combustibles too close to sprinkler heads
 - 2) Trash stored under stairs and in hallways
 - 3) No exit signs
 - 4) No sprinkler and garbage area

Stair Enclosure

- 1) Improperly maintained - Latches missing from doors leading into enclosure

In addition the Building contains many features which were permitted when the building was built but are not allowed by present Code. They include:


- 1) Fire Escape used as second exit
- 2) Lacks smokeproof enclosure
- 3) Main exit opens directly into 1st floor lobby.
- 4) Fire escape is located within the tenant space and is not available to all occupants at all times.
- 5) Corridor is unrated and does not have access to two ways of departure.

These conditions have created an immediate fire hazard. Therefore the Department will require a plan of correction be submitted to this office within 14 working days.

cc: Mr. Stanton W. Jones
Budget Analyst - S.F. Board of Supervisors

1390 Market Street, Suite 1025
San Francisco, CA 94102

0259Q


Lieutenant William Jovick
Bureau of Fire Prevention

SECTION 5.3: MODERNIZING THE SYSTEM

THE BUREAU OF BUILDING INSPECTION IS BURDENED WITH AN ANTIQUATED OPERATION UTILIZING LABOR INTENSIVE PROCEDURES TO PROCESS PERMITS AND MANAGE INSPECTIONS. CURRENT COMPUTER SYSTEMS ONLY PROVIDE LIMITED CAPABILITY AND ARE USED IN A FRAGMENTED AND INEFFICIENT WAY. BY IMPLEMENTING A PROPOSED THREE-YEAR PLAN FORMULATED BY THE BUREAU, WITH THE REVIEW AND APPROVAL OF THE ELECTRONIC INFORMATION PROCESSING STEERING COMMITTEE, BBI WOULD IMPROVE OPERATING EFFICIENCY AND PROVIDE A MORE ACCURATE SYSTEM FOR PROCESSING PERMITS AND MAINTAINING RECORDS ON BUILDINGS BY BLOCK AND LOT THROUGHOUT THE CITY.

Current Configuration of BBI Work

The Bureau of Building Inspection currently operates with a combination of automated and manual systems to assist, organize, and accomplish the work in the office. The Bureau maintains and uses two computerized systems in its day-to-day operation consisting of the Permit Tracking System, and the Division of Apartments and Hotels Inspection (DAHI) database management system, as well as several independent personal computer systems.

The Permit Tracking System, housed on the Bureau's Motorola 5000 minicomputer, is a database management system that the Bureau uses to monitor and manage the status of building permit applications and building permits. The Permit Tracking System was intended to, as outlined in the Tracking System manual:

- Provide a comprehensive repository of data comprising each building permit application filed with the City;
- Provide a more efficient mechanism by which the progress of application review is recorded;
- Provide a more timely and accurate response to inquiries regarding the current status of an application under review;
- Enable improved management control over the application review and construction inspection activities of BBI and DCP staff;

- Provide more timely and comprehensive achievement of the abatement of known code violations;
- Enable the operating budget of BBI and DCP to be applied more productively.

In practice, the Permit Tracking System has fallen short of meeting several of these objectives. For example, the Permit Tracking System allows staff to log their activities into the computer, thus relieving them from keeping extensive manual log books at their desks. However, various staff continue to maintain manual log books at their desks. When asked why they continue to enter their work into these log books, the reply is usually that: (1) the manual log verifies that the work was done or where it was sent; or (2) the log is used to locate the status of a permit application without having to use the computer.

The Complaint Tracking System was designed as a component of the Permit Tracking System to improve the response to and control of code violations and abatement. While the Building Inspection Division continues to use the Complaint Tracking System, the Housing Inspection Division has halted its use of the system based on the explanation that they could respond to complaints quicker through manual control methods. Currently, 70 to 80 percent of all abatement cases are generated in the Housing Inspection Division, but because these cases are never entered into the Complaint Tracking System, the information is never readily available to the rest of the Bureau on the computer.

The Department of Apartments & Hotels Inspection (DAHI) database system, a name derived from the Housing Inspection Division's old title, is a comprehensive inspection and abatement record of the City's estimated 20,000 apartment buildings and hotels. This database system is housed on City Hall's mainframe computer. Information contained in the database include block and lot numbers, street address, number of residential units, number of rooms, inspection status and date of last inspection, and all current abatement cases. Use of the DAHI system is generally limited to the Property Conservation Program, although data from the system can be accessed from the Permit Tracking System screen. However, this information is seldom used by staff in permit processing.

In addition, several independent personal computer systems exist, including one in the Housing Inspection Division that is used for keeping track of each inspector's work as well as the number of inspections by category.

Problems with the Current System.

Despite the existence and use of two major computer programs to assist BBI, the Bureau is literally drowning in paper, and still uses labor intensive procedures to process permits and manage inspections. In fact,

BBI has accumulated so much paper from plans, applications, reports, and various forms that a recent Fire Department inspection report contained a comment that an "extreme fire load" existed in the building. Building conditions are more fully discussed in Section 5.2.

BBI staff often complain that the Permit Tracking System is slow, cumbersome, and inadequate for the true needs of the Bureau. As a result, staff resort to archaic manual methods to accomplish their tasks and use the Permit Tracking System as a backup system. For example, clerks in the Central Permit Bureau manually calculate permit fees for permit applicants even though the Permit Tracking System calculates the fees automatically, mainly because they can calculate the fees faster using a desktop calculator than entering the information into the Permit Tracking System. Another example, cited earlier in this report, is the instances where clerks are logging in plans in the computer and also logging them in a log book.

Bureau staff have commented that the current systems are not adequately coordinated, and they lack a centralized database of information. At least four major street files exist within the Bureau. The Microfilm Section, the Housing Inspection Division, Superintendent's Office, and the 3-R Section all maintain files organized by street address. Depending upon the nature of information needed, a person would have to consult one or more files in four different locations throughout the building.

The following examples further illustrate the need for a centralized coordinated database of information accessible to the entire Bureau as well as other City Departments:

- In FY 1988-89, the Housing Inspection Division sent letters to approximately 8,000 apartment building owners ordering them to comply with the hard-wired smoke detector requirement. A large number of these owners complained that they had indeed complied; their contractor had sent an affidavit of completion to BBI as requested; their building was equipped with hard-wired smoke detectors. HID staff reported that the contractors were instructed to send the affidavits into the Electrical Inspection Division, and the Electrical Inspection Division would send the Housing Inspection Division a copy of the affidavit. In some cases, HID never received a copy of the affidavit, despite claims by building owners and contractors that the required work was done. The Assistant Superintendent for Property Conservation estimated that they received 4,000 inquiries regarding the letters that were sent out to building owners. If this information had been placed on a central automated system, HID would not have had to depend upon receipt of a paper copy to verify compliance with the hard-wired smoke detector requirement.

- The Tax Assessor's Office has the responsibility of maintaining a database of current property values for tax purposes. BBI furnishes the Tax Assessor's Office with information on permit applications that would affect the value of San Francisco County properties. Currently, BBI furnishes this information on a monthly basis in the form of copies of the actual permit application. BBI has proposed to program their existing computer system to furnish such information to the Tax Assessor's Office as a computer printout. However, the current computer configuration prevents the Assessor's Office from accessing BBI information files directly via a computer terminal at City Hall. In addition, the Assessor's Office, during the process of updating its assessment rolls, periodically finds new construction that had "escaped" assessment previously. These new constructions may or may not have a permit on record at BBI. Currently, the Assessor's Office does not have the ability to easily check BBI's permit history and does not inform BBI accordingly of the Assessor's findings.
- Section 5.3 highlighted the data-processing needs of the 3-R Section and in particular revealed the extent to which the clerical procedure for producing the reports is duplicative, labor intensive, and time-consuming. 60 percent of the Section's time is spent on searching for information in manual files that could be easily stored and retrieved through a computer database. If the permit histories and associated documentation used for 3-R reports were organized by block and lot into an automated database, we estimate that the production time of 3-R forms as required by the City's Housing Code would be reduced by the amount of time spent on searching for manual records which could be as much as 60 percent. The computer would do the search for the 3-R Section staff. Such an increase in efficiency would make available staff resources to allocate to other tasks within the Bureau.
- Currently, with limited exceptions, inspections for all divisions are scheduled individually by the inspectors. The various inspection divisions do not practice any form of centralized inspection scheduling, and as a result, inspector accountability is limited. A comprehensive automated database system with scheduling and tracking capabilities would improve the management of inspection duties within the Bureau.
- The Central Permit Bureau (CPB) is responsible for adding and deleting address numbers in the City. When additions and deletions are made, CPB notifies the Assessor's Office and the Postal Service by memo. CPB cannot directly inform the

Assessor's Office of address number changes through the Assessor's present property system.

- In addition to the four street address files we found at BBI, the Department of City Planning maintains an equally extensive street address file of historical information on zoning, variances, zoning ordinance violations, and in many cases, copies of information received from BBI.
- The Tax Collector's Office collects Business License certification fees and BBI must verify that contractor's have paid this fee. Currently, BBI cannot readily verify this information, because the Business License records are not directly accessible to BBI on a computer.

BBI's three year automation plan

BBI has recognized the need to automate their operation and has recently formulated a three-year automation plan. While only in the draft stages, the three-year automation plan represents a significant step forward in attempting to modernize and improve the efficiency of the Bureau's operations. At an estimated total cost of \$1 million, the automation plan proposes to establish a network of personal computers throughout the Bureau that is fully integrated and will allow BBI staff to utilize information not currently accessible. Specifically, the automation plan includes the following components:

- 1) Permit history and building historical records organized by block and lot number.
- 2) Inspection tracking and scheduling.
- 3) Permit processing and tracking.
- 4) Complaint tracking
- 5) Other various databases for use in permit processing, the inspection divisions and administration.
- 6) Word processing
- 7) Optical scanning of permit documents to allow optical storage of historical information.

Each of these functions will be housed on PC's located throughout the Bureau and linked by a communications network. BBI estimates that the entire system, once implemented, will cost approximately \$1 million.

Although BBI's automation needs are immediate, the City's Electronic Information Processing Steering Committee has not yet been requested to review the current proposed three-year automation plan. Based upon interviews with Information Services Division staff within the Controller's Office, the following questions and concerns were raised regarding the draft proposal:

- How will the automation plan be financed?
- The automation plan did not evaluate and compare other alternatives in terms of costs and benefits.
- The new system may require substantial additional expenditures not included in the plan with respect to equipment and software maintenance, and staff training.
- The compatibility of the network with other City systems including the City Hall's mainframe system needs to be addressed.
- Will the new system use standardized equipment and software in use by other City agencies?
- Would the new system allow for direct interactive links, either through telecommunications or through the mainframe, with other City Departments such as the Assessor's office, City Planning, and the Fire Department?
- Does the proposed automated system have the ability to integrate data from various PC's into one summary screen?

The Superintendent of Administration for BBI has stated that subsequent revisions to their draft plan incorporate the various concerns mentioned above.

The review process by EIPSC is intended to provide assurance as to the feasibility and compatibility of proposed new automation systems. While we recognize BBI's critical need to automate their antiquated operations, we believe that given the estimated \$1 million cost of implementing their plan, review and recommendations of EIPSC is essential to ensuring the implementation of a computer system that is cost effective and is coordinated with other systems being implemented in the City.

The Citywide Property System

The City is in the process of developing a Citywide property system based upon the records of the Assessor and Recorder's Offices. Much of BBI's records including permit histories, violation and abatement records, and 3-R files are based on block and lot numbers and street addresses, and is information that is useful to other City Departments such as the Assessor, Tax Collector and City Planning. The Automation Plan of BBI should be fully coordinated and compatible with this planned Citywide property system.

CONCLUSION

The Bureau of Building Inspection is burdened with an antiquated operation utilizing labor intensive procedures to process permits and manage inspections. Current computer systems can provide adequate service if used properly, but are slow and used in a fragmented and inefficient way. BBI proposes to implement a three-year automation plan. However, that plan needs to address issues concerning compatibility, maintenance and staff training costs, adequate evaluation of other alternatives, and direct linkage with other City departments, such as the Assessor's Office.

RECOMMENDATIONS

The Budget Analyst recommends that:

- BBI submit their three-year automation plan as soon as possible to the Electronic Information Processing Steering Committee for review and approval and address, as part of the plan, the concerns described in this Section.
- Upon the review and recommendations of the EIPSC, BBI implement its automation plan as soon as possible.
- The City's Electronic Information Processing Steering Committee provide whatever assistance is necessary in order to develop a viable automation plan for BBI as soon as possible.
- BBI's automation plan be fully coordinated with the City's new Property System.

BENEFITS / COSTS

Automating the Bureau of Building Inspection would improve operating efficiency and provide a more accurate system for maintaining records on buildings by block and lot throughout the City. The total cost estimated by BBI is \$1 million.

STATUS OF PAST MANAGEMENT AUDIT RECOMMENDATIONS

BBI UNDERWENT A MANAGEMENT AUDIT BY THE CPA FIRM OF TOUCHE-ROSS IN 1978 AND A LIMITED MANAGEMENT AUDIT BY THE BUDGET ANALYST IN 1982. MOST OF THE STILL-RELEVANT RECOMMENDATIONS HAVE BEEN IMPLEMENTED. WE HAVE RESTATED IN OUR REPORT THOSE WE BELIEVE APPROPRIATE FOR IMPLEMENTATION.

BBI underwent an audit by the CPA firm of Touche-Ross in 1978 and a limited audit by the Budget Analyst in 1982. The latter audit was limited to updating the management audit performed by Touche-Ross and responding to specific questions raised by members of the Board of Supervisors.

Selected recommendations of those audits, those which pertain to the scope of this audit, are cited below along with the current status of each recommendation.

BUDGET ANALYST'S AUDIT - JUNE, 1982

Permit Section

RECOMMENDATION

STATUS

- | | |
|--|--|
| - Rewrite the informational pamphlet to be more informative and complete. | - The informational pamphlet "How to Obtain a Building, Electrical, Plumbing Permit" was rewritten in 1984. However, the 1984 version does not reflect current procedures and needs to be rewritten. |
| - Distribute the revised informational pamphlet and application forms at City libraries to provide greater public access to the information. | - The informational pamphlets have been distributed throughout the City. |

RECOMMENDATION

STATUS

- | | |
|--|---|
| <ul style="list-style-type: none">- Reduce the number of application forms from eight to four after a thorough analysis of appropriate consolidation of existing forms.
- Continue to regularly review the check-off list against which counter inspector clerical staff in the CPB may more quickly and effectively check plans and applications for completeness.
- Develop fast tracking techniques including the possibility of utilizing licensed engineering firms for plan checking and a facilitation process.
- Develop performance standards for PAD.
- Telephone lines should remain open all day during regular business hours.
- General standards for the amount of time necessary to complete inspections should be developed and clerical staff should schedule "AM" and "PM" inspection appointments when inspectors are in the field. | <ul style="list-style-type: none">- The number of application forms have been reduced from 8 to 5 forms. BBI is exploring the possibility of reducing the application forms (including electrical, plumbing and building) to one form.
- Check-off lists have been developed for all divisions in the Bureau. A combination of manual- and computer-assisted lists have been developed.
- The Bureau has developed "fast tracking" permit processing with the creation of the Counter Services Division (CSD). Fast tracking procedures have also been developed for tenant improvement projects.
- Performance standards have been developed for PAD. Currently, 1.5 plans per day per checker is the required production performance.
- Telephone lines are answered all day in all divisions. The new telephone system allows for full coverage between the hours of 8 to 5 p.m.
- Not accomplished. Clerical staff does not generally make appointments for the inspectors. We have again made this recommendation in Section 3.4 of our report. |
|--|---|

RECOMMENDATION

STATUS

- | | |
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| <ul style="list-style-type: none">- BBI should develop an informational pamphlet which simply and visually describes the points in the construction process at which an inspection is required.- Fees should be charged to builders who request an inspection before jobs are ready.- Field paperwork should be streamlined for inspectors to easily transcribe appropriate information onto the permit document, or complete the document in the field.- Increased supervision should occur by requiring that inspectors turn in daily appointment schedules each morning, and phone in during the day and by requiring that supervisors make field inspections with each inspector at least each month. | <ul style="list-style-type: none">- An informational pamphlet was developed in July 1987.- Such fees were implemented August, 1987.- BBI has streamlined the inspectors paperwork and is developing further automation procedures for daily reports, job cards, etc.- Inspectors do turn in daily appointment schedules and supervisors make field inspections with each inspector on a bimonthly basis, as a minimum each month. However, inspectors are not required to phone in to the office during the day. |
|--|---|

TOUCHE-ROSS AUDIT OF 1978Permit ProcessingRECOMMENDATIONSTATUS

- | | |
|--|--|
| <ul style="list-style-type: none"> - Eliminate pre-permit inspections. - Establish a central scheduling function for each of the District Inspection functions to improve overall efficiency. - The clerical tasks and case management tasks that do not require the expertise of an inspector should be delegated to clerks. - Progress on cases should be monitored by the computer, and exception reports should be used to trigger required actions on a case-by-case basis. - Management should review the time sequence in managing voluntary or involuntary code compliance. - Conduct a thorough analysis of combined inspection potential and concurrently pilot test the concept. - As a goal, supervisors of field inspectors should devote two days per week to check ride with inspectors. | <ul style="list-style-type: none"> - Pre-permit site inspections have been eliminated. - A central scheduling function has not been established. This recommendation is restated in Section 3.4 of this audit report . - Clerical tasks have been delegated to clerks. - Computer monitoring of permits and inspections has been implemented. - Voluntary code compliance cases are rare. Upon acknowledgement of the voluntary work, priority has been given in the reviewing process to encourage future voluntary code compliance. - Because of the opposition of various groups, the Bureau's attempts to test the combined inspection concept have not been successful. This recommendation is restated in this audit report in Section 3.2. - The Bureau has set for Senior Inspectors a goal of one check ride per week so that on the average each Building, Plumbing, and Electrical Inspector would receive such supervision once every five weeks. |
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RECOMMENDATIONSTATUS

- | | |
|--|--|
| <ul style="list-style-type: none"> - Supervisors of field inspectors should develop and conduct a regular monthly training session.
 - The Bureau should evaluate the opportunities for establishing consistent reporting requirements for similar inspection functions to permit interdivisional comparisons.
 - The Plans Approval Division should modify its procedures for controlling and assigning workload so it could better advise the public on the expected elapsed time to conduct its assessment.
 - Establish a consolidated unit, a division of Permit Processing, to improve efficiency and control over the permit approval process for building permits.
 - Establish standards for routine turnaround time for review. | <ul style="list-style-type: none"> - Building Inspection Division conducts weekly training sessions. Electrical and Plumbing Divisions conduct bi-weekly training.
 - The Bureau has established the on-site inspection job card as a tool to communicate between the various inspection groups and the contractors.
 - The workload and assignment of workload in PAD has been modified as of February, 1987. Productivity standards have been created to allow management to measure performance and to estimate backlogs. The objectives have been changed to measure processing time including hold times, to allow for better predictability of backlog.
 - The Permit Process Unit was created on February 1, 1987, by combining the Plans Approval Division, the Counter Services Division and the Central Permit Bureau under one manager.
 - Standards have been established for turnaround of permit applications and for construction inspections. |
|--|--|

RECOMMENDATION

STATUS

- | | |
|---|--|
| <ul style="list-style-type: none">- Hold applications at counter until next approval level is ready to process. This procedure should:
- Force division-level supervisors to monitor staff productivity.
- Ensure that turnaround standards can reasonably predict completion time for review.
- Improve the ability for counterperson to advise the public on current status and probable completion time and reduce the number of telephone interruptions at the division level.
- Prepare and post appropriate flowcharts of the approval process to provide explanation for permit applicants.
- The practice of providing assistance to the public at little or no charge should be re-assessed to compare the cost and potential conflict of interest ramifications with the assumed benefits. | <ul style="list-style-type: none">- Not implemented. The Budget Analyst makes other recommendations in this report to improve permit application processing.

- Flow charts are available at the Public Services Division.

- The Bureau has instituted fees for pre-application conferences. |
|---|--|

RECOMMENDATION

STATUS

- The Plans Approval Division (PAD) could improve its productivity through better management:
 - establish performance standards that describe acceptable turnaround time for types of work.
 - cross train plan checkers and structural engineers to improve flexibility for peak workloads.
 - recognize the uniqueness of major projects and establish procedures accordingly.
 - assign staff early and communicate assignment to the developer and other City departments that will participate in the approval to build.
 - advise the developer on the channels for appealing delays.
 - Evaluate the benefits of contract assistance from private engineering firms to relieve peak workloads and expedite permit application approval.
 - PAD has been reorganized with closer supervision and management. PAD's operation is much improved.
 - BBI has been in contact with various private firms that provide contract plan checking. Most of the firms prefer to check new projects only rather than being involved in major remodeling projects. Remodeling projects are very time-consuming from a plan-checking stand-point. Also, with the local amendments applicable to all buildings, the contract plan check firms would prefer to check according to ICBO requirements in Title 24 requirements without considering local amendments. Therefore, the City would have to recheck the local requirements.

RECOMMENDATION

STATUS

- | | |
|---|--|
| - Selection of one or two large San Francisco engineering firms to provide contract assistance would provide consistent interpretation of the code. | - See comment above. |
| - A detailed comparison of the San Francisco Building Code and the Uniform Building Code (U.B.C.) should be conducted to determine the differences, and whether the differences are essential due to some unique conditions in San Francisco. | - BBI is in the process of adopting the 1988 UBC. The comparison and pertinence of existing amendments to the 1979 UBC (1984 SFBC) are being reviewed. |
| - The practicability of accepting plans without a plan check if certified by a licensed engineer should be evaluated. | - Deemed not feasible. Most plans contain elements that do not meet all of the City's Code requirements, and therefore require checking. |

Appendix B

BUREAU OF BUILDING INSPECTION MANDATES

3R Physical Report
3R Reports
AAB (Abatement Appeals Board)
Accelerated Plan Check
Affordable Housing
Air Pollution and Hazardous Materials Storage Screening
Architectural/Engineering License
Asbestos Pamphlet and Reporting
Board of Examiners
BPA (Board of Permit Appeals)
Building Energy Regulation
Building Code
CAL/OSHA Permits
CERF Loans
Child Care
Chinatown/Northbeach Moratorium
Commercial Tenant Improvement Plan Check
Conflict of Interest
Contractor's License
Costal Zone
Demolition Notification
Electrical Code
Energy Resale (Residential)
Fire Department Permits
Gas Station Conversion Ordinance
Handicapped Access
Handicapped Appeals Board
Heat Survey
Hotel Sprinkler Ordinance
Housing Code
Keeping of Records
Life Safety Systems
Mechanical Code
Neighborhood Commercial District
Noise Abatement
NPALP (Non-Profit Art Loan Program)
Owner and Architect Plan Release (Microfilm)
Parallel Plan Checking
Parapet Program
Permit Expediter
Permit Posting Notification
Plumbing Code
Police Permits
Relocation Inspections
Residential Hotel Conversion Ordinance
Retroactive High Rise
Routine Inspection

Appendix B

Page 2

San Francisco Unified School District Fee
San Francisco Fire Department
Security Ordinance
Smoke and Heat Detectors
Special Fund
State Attorney General's Mandate on Handicapped
State Historical Building Code
Structural Addition Notification
TIDF (Transit Impact Development Fee)
Toxic Waster Excavation
Workers' Safety
Workers' Compensation

BEFORE THE BOARD OF PERMIT APPEALS
CITY AND COUNTY OF SAN FRANCISCO

---oO---

PUBLIC COMMENT INITIATED BY VICE PRESIDENT MAKRAS ON THE SUBJECT
OF DISCUSSING WITH THE BOARD OF PERMIT APPEALS THE CONCERNS
RE: TIMING IT TAKES TO ACCOMPLISH BUILDING PERMIT APPLICATIONS.

REPORTER'S TRANSCRIPT OF PROCEEDINGS

WEDNESDAY, JULY 19, 1989

PRESENT: : ESTHER Y. MARKS, PRESIDENT
VICE PRESIDENT VICTOR G. MAKRAS
COMMISSIONER RALPH D. HOUSE
COMMISSIONER PAUL D. MELBOSTAD
COMMISSIONER BEVERLY J. PRIOR

EXECUTIVE DIRECTOR ROBERT H. FELDMAN

REPORTED BY: DORIS M. LEVINE,
OFFICIAL HEARING REPORTER

1 WEDNESDAY, JULY 7, 1989

2
3 P R O C E E D I N G S

4 PRESIDENT MARKS: NOW IS THE PORTION OF OUR CALENDAR FOR
5 PUBLIC COMMENT.

6 COMMISSIONER MAKRAS.

7 VICE PRESIDENT MARKAS: I HAVE BEEN CONTACTED BY SEVERAL
8 OF OUR CITIZENS AS TO THE PROCESS IN THE PLANNING, AND THE
9 DELAYS THAT WE HAVE BEEN HEARING ABOUT TIME AND TIME AGAIN,
10 COMMISSIONERS.

11 WHAT BRINGS ME TO MAKING A REPORT TO YOU IS THE
12 CASE THAT WE HAD SEVERAL WEEKS AGO. WHERE THE ZONING
13 ADMINISTRATOR INDICATED THAT HE WAS TO GIVE HIS RESPONSES
14 IN TWO WEEKS, AND THE TWO WEEKS TOOK FOURTEEN MONTHS.
15 THAT WAS SURPRISING TO ME.

16 SO ONE CITIZEN CALLED ME UP, AND ASKED ME IF I COULD
17 CALL UP AND JUST GET A STATUS REPORT ON THEIR PERMITS.
18 WHERE IS IT IN THE PIPELINE?

19 I WILL GIVE YOU AN IDEA OF WHAT I WENT THROUGH. I MAY
20 NOT BE THE MOST ARTICULATE INDIVIDUAL, BUT I AM NOT NAIVE IN
21 ASKING THE RIGHT QUESTIONS.

22 FIRST I WAS HUNG UP TWICE, INITIALLY WHEN I CALLED UP.

23 THEN I WAS GIVEN A SERIES OF SIX PHONE CALLS BEFORE
24 I COULD DETERMINE WHO WAS IN CHARGE. I ASKED THEM TO SPELL
25 THE INDIVIDUAL'S NAME SO THAT I WOULD NOT BE MISTAKEN.

1 AFTER LEAVING MESSAGES THREE TIMES, I WAS TOLD THAT THERE 3
2 WAS NO ONE THAT WORKED THERE WITH THAT NAME, AND THAT
3 DEPARTMENT.

4 I WENT THROUGH A SERIES OF TALKS, AND FINALLY
5 DETERMINED WHO WAS THERE. ALL OF THAT HAPPENED ON WEDNESDAY.

6 IT TOOK ME UNTIL TUESDAY AT FOUR O'CLOCK TO GET A SIMPLE
7 REPORT.

8 I WENT THROUGH TWO PAGES OF NOTES, AND TIMES THAT..
9 I CALLED. I THINK THAT IT IS PLAIN RIDICULOUS. A NUMBER
10 OF PEOPLE ASKED ME TO FOLLOW PERMITS, AND I AM GOING TO BE
11 DOING SO. I AM DOING IT OPENLY.

12 I JUST AM CALLING UP AND SAYING MY NAME IS VICTOR
13 MAKRAS, AND I AM CALLING UP TO GET THE STATUS REPORTS OF THE
14 PERMITS.

15 I AM JUST GOING TO BE COMING BACK, SHARING WHAT A LOT OF THE
16 CITIZENS DO, SO WE CAN REFLECT IT HOPEFULLY IN OUR VOTE.

17 SO FOR FIVE CONTINUOUS DAYS, I FELT IT WAS RIDICULOUS.
18 WHERE THE ULTIMATE ANSWER WAS AN OVER THE COUNTER REPLY.
19 THAT IS ALL IT TOOK.

20 COMMISSIONER MELBOSTAD: I RECEIVED A CALL FROM A FRIEND ABOUT
21 AN INSPECTOR TODAY. SOMEONE THAT I INSTRUCTED TO WRITE A LETTER
22 TO MR. LITCHFIELD, AND SEND A COPY TO OUR BOARD.

23 I HOPE THAT IF PEOPLE DO HAVE COMPLAINTS THEY LET US KNOW, AND
24 WE WILL TRY TO ADDRESS THEM.

25 PERSONALLY, I THINK THAT THE PLANNING DEPARTMENT SHOULD STOP

1 WASTING TIME GOING AFTER PLACES LIKE JODY'S PLACE. 4

2 SO THAT THEY CAN BETTER GIVE THEIR ATTENTION TO
3 THE PUBLIC.

4 EXECUTIVE DIRECTOR FELDMAN: IF I MAY, COMMISSIONERS,
5 I WOULD ALSO ENCOURAGE THE PUBLIC, IF THEY HAVE COMPLAINTS TO
6 WRITE TO THE PLANNING COMMISSION RATHER THAN TO THE BOARD OF
7 PERMIT APPEALS. THEY ARE THE ONES TO WHOM THE COMPLAINTS SHOULD
8 BE ADDRESSED.

9 VICE PRESIDENT MAKRAS: IF IT TAKES ME FIVE DAYS, I CAN SEE
10 THAT MR. FELDMAN. BUT I GUESS, MR. FELDMAN, OUT OF FRUSTRATION THEY
11 TURNED WHEREVER THEY COULD. AND I GUESS I WAS ONE OF THE
12 INDIVIDUALS THAT THEY TURNED TO. AND I GUESS WHAT I AM ASKING
13 IS, IF IT TAKES ME FIVE DAYS, AND I AM A REAL ESTATE BROKER, AND
14 I UNDERSTAND WHAT I AM ASKING. IF IT TAKES ME FIVE DAYS, I CAN
15 SEE HOW LONG IT WOULD TAKE AN ORDINARY CITIZEN. THEY ARE TURNING
16 WHEREVER THEY HAVE TO.

17 I AM GETTING VERY SYMPATHETIC TO THAT. AND I AM SURE
18 THAT MY VOTES IN THE FUTURE ARE GOING TO REFLECT THAT.

19 COMMISSIONER MELBOSTAD: I WOULD LIKE TO SAY THAT
20 EVERYONE THAT I KNOW THAT WORKS IN THE PLANNING DEPARTMENT WORKS
21 VERY HARD. THEY ARE WORKING LONG HOURS, AND THEY ARE QUITE OFTEN
22 THERE IN THE EVENING.

23 SO I THINK THAT THE PROBLEM IS NOT LAZINESS ON THE PART
24 OF THE STAFF. I THINK IT IS MAYBE PRIORITIES.

25 MR. PASSMORE: IT MAY BE A PROBLEM OF PRIORITIES. WE ARE

1 BEING REQUESTED BY VARIOUS INTEREST GROUPS, ALL ESTABLISHING A
2 CERTAIN SET OF PRIORITIES TO GIVE THE HIGHEST PRIORITY.

3 BUT, UNFORTUNATELY, IN SOME WAYS, THOSE PRIORITIES ARE BEING
4 DICTATED BY THE CODE BECAUSE THE CODE GIVES EVERYONE OF THEM
5 A LEGAL STATUS OF SOME FASHION.

6 THERE IS A LEGAL STATUS THAT YOU HAVE TO RESPOND TO A
7 PERSON WHO IS CALLING ABOUT INFORMATION ON AN APPLICATION, OR IF
8 THEY WANT TO STOP THE APPLICATION.

9 THERE IS A REQUIREMENT THAT WE OBVIOUSLY RESPOND TO THE
10 APPLICANT FOR AN APPLICATION. THERE IS A REQUIREMENT THAT WE
11 PROCESS BUILDING CODE APPLICATIONS THAT ARE BEING FILED TO
12 CURE A VIOLATION OF THE PLANNING CODE. EVEN THOUGH IT WAS NOT
13 ALLOWED TO BE APPROVED UNDER OUR CODES. AND WE GO THROUGH PROCESSES
14 ON VIOLATIONS ON THOSE ISSUES.

15 IT IS JUST A LOT OF PRESSURE ON THE DEPARTMENT. AS ONE
16 DEPARTMENT WAS ABLE TO BUILD UP SUFFICIENCIES IN THAT AREA,
17 THE PUBLIC DEPARTMENTS HAVE TO GO ALONG WITH THEM, AND ARE NOT
18 ABLE TO COMPENSATE FOR THAT DEFICIENCY AND IT BECOMES EVEN MORE
19 OF A PROBLEM.

20 FOR EXAMPLE, THE BUREAU OF BUILDING DEPARTMENT IS MUCH MORE
21 FOR GOING OUT INTO THE FIELD FOR VIOLATIONS OF THINGS THAT WERE
22 DONE WITHOUT A BUILDING PERMIT.

23 THE NUMBER OF BUILDING PERMITS THAT WE GET AS A RESULT OF THAT
24 IS QUADRUPLED FROM WHAT IT USED TO BE SIMPLY BECAUSE BEFORE WE WERE
25 NOT GETTING THE APPLICATIONS. NOW WE HAVE APPLICATIONS THAT WE HAVE

1 TO RESPOND TO.

2 WE ARE HAVING TO CATCH UP WITH SOME OF THOSE THINGS,
3 AND WE HAVE HAD CODE CHANGES.

4 THERE ARE A LOT OF CASES WHICH ARE UNASSIGNED, AND I DO
5 NOT KNOW IF THAT RESULTED IN WHAT APPEARS TO HAVE BEEN A RUN
6 AROUND. WE ALSO HAVE A LOT OF PEOPLE OFF ON VACATIONS. AND WHEN
7 WE HAVE VACATIONS, WE HAVE ABSOLUTELY NO ONE TO COVER. THERE IS
8 NO ONE THAT CAN BE MOVED FROM ONE AREA TO ANOTHER BECAUSE EVERY
9 SINGLE DEPARTMENT IS BACKLOGUED.

10 VICE PRESIDENT MAKRAS: WELL, MR. PASSMORE, I AM NOT
11 BLAMING YOU OR YOUR DEPARTMENT IN WHAT HAPPENED. I AM JUST
12 DISCUSSING THIS, AND SHARING IT WITH MY FELLOW COMMISSIONERS.
13 I DO NOT WANT YOU TO TAKE IT PERSONALLY.

14 PERHAPS YOU CAN HELP ME. IS IT TRUE THAT WHEN THE PUBLIC
15 COMES IN FOR A PERMIT THAT THERE IS A STATE CODE THAT REQUIRES
16 THE PERMIT BE ISSUED IN A SIX MONTH PERIOD, AND THE DEPARTMENT
17 ISSUES A FORM WHERE PEOPLE WAIT PAST THAT SIX MONTH PERIOD?

18 MR. PASSMORE: THAT IS NOT TRUE. IT IS TRUE THAT THERE
19 ARE LIMITATIONS ESTABLISHED BY STATE LAW THAT SAY THAT THE
20 PROJECT IS IN PROCESS WITHIN A CERTAIN PERIOD OF TIME. IT IS
21 THEN ASSUMED APPROVED.

22 THERE IS A SUB-PROCESS THAT SAYS THAT IT HAS TO BE
23 APPROVED WITHIN A CERTAIN PERIOD OF TIME AND THE APPLICATION IS
24 CONSIDERED COMPLETE. AND THERE IS A TIME LIMIT OF THAT BEING
25 COMPLETE. THAT BEING 30 DAYS.

SAN FRANCISCO'S PROCESS OF PROCESSING BUILDING PERMITS

7

IS SUCH THAT IT IS VERY DIFFICULT FOR ANY OF THE DEPARTMENTS TO
BE ABLE TO DETERMINE COMPLETENESS WITHIN 30 DAYS.

AND A WAIVER FORM WAS SUGGESTED, AND HAS BEEN USED BY
MANY DEPARTMENTS TO COVER THAT ASPECT. THE APPLICANT WOULD BE
SAYING THAT THEY WOULD BE WILLING TO SUPPLY THE ADDITIONAL
MATERIAL AFTER THAT TIME.

(WHEREUPON THE MATTER WAS CONCLUDED FOR THE EVENING).

ROUTINE INSPECTION CHECKLIST

THIS INSPECTION DOES NOT CONSTITUTE A COMPLETE INSPECTION OF THE STRUCTURE

LOCATION _____ DATE _____
BLOCK _____ LOT _____ SEQ _____ CT _____

- | | |
|---|---|
| <p><input type="checkbox"/> 1. 105 HC CHANGE IN OCCUPANCY If checked, complete inspection required.</p> <p><input type="checkbox"/> 2. 801 HC EGRESS (Lacking or unprotected) If checked, complete inspection required.</p> <p><input type="checkbox"/> 3. 807 HC STAIR ENCLOSURE If checked, complete inspection required.</p> <p><input type="checkbox"/> 4. 713 HC MANUAL RELEASE Provide for iron gate(s) and/or door(s).</p> <p><input type="checkbox"/> 5. 905 HC GARBAGE CHUTE(S)/ROOM/AREA SPRINKLERS Provide sprinkler(s) for top/bottom garbage chute(s) garbage room/garbage area under building (Plumbing Permit required). Garbage receptacles may be moved to area open to sky.</p> <p><input type="checkbox"/> 6. 903 HC STORAGE Permanently remove storage or provide fire sprinkler. (Building and/or Plumbing Permit required.)</p> <p><input type="checkbox"/> 7. 904 HC FIRE EXTINGUISHERS Provide date-tag/recharge approved type fire extinguishers in public hall at each floor and in garage (Type 2A 10 BC or equivalent.)</p> <p><input type="checkbox"/> 8. 412 HC FLOOR COVERING Repair/replace public halls/stairways at _____</p> <p><input type="checkbox"/> 9. 413 HC EGRESS OBSTRUCTIONS Remove at: _____</p> <p><input type="checkbox"/> 10. 405-505 HC ELECTRICAL Electrical panel to be inspected and cleared by the electrical inspector (Electrical Permit is required). Remove cord wiring, repair/replace defective electrical fixtures/switches.</p> <p><input type="checkbox"/> 11. 712 HC ROOF DECK Repair/replace/fire-proof roof deck. Building Permit required: YES/NO</p> <p><input type="checkbox"/> 12. 805-807 HC ENCLOSURE DOORS Repair/replace/keep closed all stair enclosure/smoke barrier/penthouse/boiler-room/garbage room door(s).</p> <p><input type="checkbox"/> 13. 506-713 HC LIGHTING Provide adequate lighting for all stairs/hallways/passageways/fire escape corridors. (Installation requires Electrical Permit.)</p> | <p><input type="checkbox"/> 14. 408 HC WEATHERPROOFING Repair/replace/paint siding windows/roof. (Replacement of siding requires Building Permit.)</p> <p><input type="checkbox"/> 15. 402-403 HC STAIRS Repair/replace front/rear defective stair Building Permit required: YES/NO</p> <p><input type="checkbox"/> 16. 802 HC HANDRAILS Provide/repair/replace defective loose front/rear handrails.</p> <p><input type="checkbox"/> 17. 402 HC GARBAGE/RUBBISH/RECEPTACLES Remove garbage or rubbish from premises, provide adequate number of receptacles and keep properly covered</p> <p><input type="checkbox"/> 18. 402-502 HC VENTILATION Provide ventilation for penthouse public hall(s)/gas meters/furnace/hot water tank boiler/garbage room.</p> <p><input type="checkbox"/> 19. 402 HC MAINTENANCE work required at _____</p> <hr/> <p><input type="checkbox"/> 20. 713 HC SECURITY REQUIREMENTS See attached list.
<input type="checkbox"/> NO VIOLATIONS - Complete/partial inspection</p> <p><input type="checkbox"/> 21. 908-909 HC SMOKE AND HEAT DETECTOR System in need repair.</p> <p><input type="checkbox"/> 22. 707.A 503,1.C HEAT AND/OR HOT WATER See attached list.</p> <p><input type="checkbox"/> 23. CHAP. 41 ADMIN. CODE HOTEL CONVERSION ORDINANCE See attached list</p> <p><input type="checkbox"/> 24. 910 HC SMOKE DETECTORS See attached list.</p> <p><input type="checkbox"/> 25. OTHER _____</p> <hr/> |
|---|---|

Items checked require correction in accordance with the San Francisco Housing Code and/or other applicable codes and ordinances by (date) _____ with applicable ☐ Building, ☐ Electrical, ☐ Plumbing Permit(s). Item(s) checked have been noted as a result of a routine inspection and/or complaint and does not constitute all deficiencies which may be present in the premises.

If you have any questions regarding this notice, please contact the undersigned inspector between the hours of 8-9 AM and 4-5 PM., 450 McAllister Street, Room 302. San Francisco, CA. 94102. (415) 558-6220.

YOU MUST CALL INSPECTOR FOR FINAL INSPECTION WHEN CHECKED ITEMS ARE CORRECTED.

HOUSING INSPECTOR _____

**BUDGET ANALYST'S
RECOMMENDED PERFORMANCE EVALUATION**

SUPERVISORS FIELD CONTROL LOG

EXPLANATIONS AND DIRECTIONS

Definitions

M. O. E. (Measure of effectiveness) - A random, cursory inspection shall occasionally be made by the senior inspector, after the district inspector has indicated approval* of a required inspection, to determine if there has been any significant error. Mark an 'X' in the 'OK' box if job is acceptable. If there has been a significant error then place the following code letter in the 'N.O.' (Not okay) box.

B for building code error
Z for zoning code error
E for electrical code error

H for heating code error
P for plumbing code error

If a significant error is found, you must specify briefly what that error is by using the comment/error section. (Do not mention minor errors)

For M.O.E. purposes, the Supervisor shall check at least two jobs for each of his inspectors during each reporting period.

2. Time Check - Visit the job site without the inspector, compare the time the inspector was at the job site (as per a responsible person at the job site) with the time shown on the inspector's daily time sheet for that job visit.
3. 3:00 Check - Determine if the inspector is on the last job site at 3:00 by unexpectedly arriving at the last stop as indicated on inspector's schedule sheet no earlier than 2:45. If the inspector doesn't show, see if anyone on the site can tell you when he was there, and verify that with the inspector's time sheet.
- 4a. Job Check W/Insp. (With Inspector) - In the field with the inspector and evaluated his or her overall performance.
- 4b. Job Check W/O Insp. (Without Inspector) - In the field without the inspector to evaluate his or her overall performance by visiting job sites.

*Inspectors shall circle in red on each day's time sheet, the inspections that were approved for that day.

5. Deck Check - Review the inspector's permit files and evaluate his or her recordkeeping ability (Note: for the purpose of address, just indicate alphabetically the area you checked-example-reviewed A-D or reviewed 2nd St.-14th St.).
6. Excessive Inspections - Review the number of inspections per permit as shown on daily time sheet to determine if an excessive number of inspections have been made, and if so, use the comment section to indicate why and recommend possible remedies.
7. Number of Stops This Date - Enter the total number of stops made by the inspector this date, when making time, 3:00, and job checks.
8. Totals - Total each column and enter all totals on bottom line of each column.

Note - For checks 2-8, if the inspector meets the acceptable standard, place an 'X' in the 'OK' box. If he fails to meet the minimum acceptable standard, place an 'X' in the 'N.O.' box (Not okay), and note specific deficiencies and recommendations in the comment section.

FIELD CONTROL LOG

SUPERVISOR

[illegible]

City and County of San Francisco

Department of Public Works
Bureau of Building Inspection

FIELD TRIP PERFORMANCE REPORT

NAME: _____ JOB TITLE: _____

Report Date: _____ Reason for Report: FIELD SUPERVISION AND TRAINING

	Development Needed		Satisfactory		Outstanding	
ORGANIZATIONAL SKILLS AND PROCEDURES						
	Development Needed		Satisfactory		Outstanding	
PUBLIC RELATIONS						
	Development Needed		Satisfactory		Outstanding	
TECHNICAL KNOWLEDGE AND SKILLS						
	Development Needed		Satisfactory		Outstanding	
QUANTITY OF WORK						

Provide comments regarding specific actions to be taken if "development needed"; list specifics of "outstanding performance".

Report Prepared By: _____ Job Title: _____

THIS REPORT HAS BEEN DISCUSSED WITH ME. I agree with this report _____.
I do not agree with this report _____. My comments are attached _____.

Signature of employee: _____ Date: _____

Reviewed by Chief Insp. _____ Prog. Mgr. _____



OFFICE OF

CHIEF ADMINISTRATIVE OFFICER

RUDOLF NOTHENBERG
CHIEF ADMINISTRATIVE OFFICER

289 CITY HALL
SAN FRANCISCO
CALIFORNIA 94102
415/554-4851

October 11, 1989

Mr. Harvey Rose
Budget Analyst
1390 Market Street, Suite 1025
San Francisco, California 94102

Re: Management Audit - Bureau of Building Inspection

Dear Mr. Rose:

We would like to compliment your staff on a thorough analysis of a complex situation. We are pleased that you have recognized the many improvements we have made in B.B.I.'s building permit and inspection services in the last two years.

We are in the middle of a well documented, well considered improvement program developed by Department and Bureau management two years ago and we are gratified that it is beginning to show results. In that regard, it may be well to point out that for the last 8 quarters, building permits which did not need to go to the Department of City Planning and were submitted in proper order were issued by B.B.I. as follows:

	<u>%</u>	<u>No. of Permits</u>
Less than 1 day	56%	22,850
Less than 7 days	75%	26,522
Less than 30 days	88%	35,906
Less than 90 days	97%	37,578

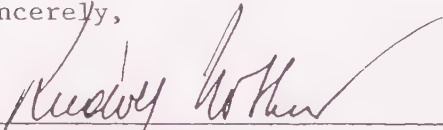
With respect to the recommendations directed specifically to the operations of B.B.I., we are pleased to say that many of them are already in our improvement program and that we agree with all of those which are within our jurisdiction. We will implement them over time, as resources, personnel and space become available. Management has long agreed with your recommendation to consolidate inspectors' classes in certain areas. This is however, a matter for Civil Service Commission action and will also require extensive negotiations through the Employees Relations Division with the various employee's representative groups involved. We will support these negotiations in any way possible for us.

Mr. Harvey Rose, Budget Analyst
Re: Management Audit - Bureau of Building Inspection
October 11, 1989


Page 2

At this time, we must disagree with your recommendation to merge the Department of City Planning and DPW's Bureau of Building Inspection. It is difficult enough to merge two very different organizations when each of them are functioning well. To take two organizations that are to different degrees dysfunctional and merge them will magnify and compound problems, not solve them. We would urge instead that each of the organizations be allowed to implement the improvements suggested for them, and when there has been sufficient time to evaluate the effect of these changes, revisit the issues and determine whether the merger recommendation makes sense in the conditions then existing.

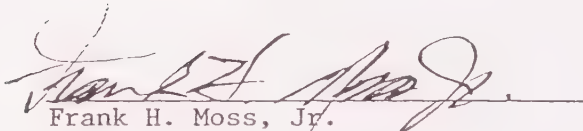
Sincerely,




Rudolf Nothenberg
Chief Administrative Officer



Richard Evans
Director of Public Works



Frank H. Moss, Jr.
Deputy Director for Engineering



L. L. Litchfield, P.E.
Superintendent, B.B.I.



City and County of San Francisco
Department of City Planning

450 McAllister Street
San Francisco, CA 94102

ADMINISTRATION

(415) 558-6414

CITY PLANNING COMMISSION

(415) 558-6414

PLANS AND PROGRAMS

(415) 558-6264

IMPLEMENTATION / ZONING

(415) 558-6377

October 17, 1989

Board of Supervisors
City Hall, Room 235
San Francisco, CA 94102

Dear Members of the Board:

In late August, I sent a memorandum to the Board indicating that the Department was falling badly behind in permit processing because the workload exceeds the size of our staff. I also noted the Commission was considering and has since approved a supplemental appropriation targeted to eliminate the permit backlog.

The permit processing problem was also raised in June when the Department's budget was before the Board's Finance Committee.

The difficulty we face is caused principally by two things:

1. The Department lost 12 staff positions in the 1988-89 budget cutbacks. This has had a severe effect on our performance. In fact, we now have fewer people to process an ever growing number of complex permits.
2. It takes more time to review each permit. A permit that once took one hour to review now requires four hours. Zoning rules are far more complex, more neighbors must be notified, Prop. M adds to the review time of many permits and there are more requests by neighbors for discretionary review.

Though we continue to disagree with much of its substance and analytical approach, the latest Budget Analyst's report acknowledges the problem of understaffing in the first sentence:

"The implementation Division of the Department of City Planning is not adequately staffed to service its current workloads. The Division requires additional permanent staff to service current permit processing and other caseloads and temporary assistance to eliminate backlogged caseloads."

The Commission, and many users of the permit process, understand that delays in services are linked largely to understaffing. The Department cannot function effectively with the workload assigned to it without some staff increase.

We now have an unacceptable level of service. Phone inquiries often take more than one half hour to answer because we lack staff. People must wait at the zoning counter for an unreasonable amount of time. Every letter received cannot be answered. Managers cannot devote enough time to managing. Permit backlogs build. In this kind of environment, staff stress is high, mistakes are made, and staff absences increase.

The Department responded at length to last year's Budget Analyst report, identifying our differences with that office's assertions, as well as identifying where the report strays into the policy prerogatives of the Board or Commission. We also identified areas of agreement. The Department does not intend, unless Board members wish, to respond to this report with similar detail. An enormous amount of time has already been given to this effort.

In our August memorandum to you a four-part program was outlined to eliminate the permit backlog in four months. It involves a supplemental appropriation and includes:

1. Filling vacant positions now that mandatory salary savings have been met. This process is underway but without active Civil Service lists, the Department is compelled to spend its own time to recruit staff, screen and hire.
2. Authorizing overtime pay so experienced staff can work evenings and weekends on permit processing.
3. Authorizing new temporary positions for permit processing.
4. Creating a Deputy Zoning Administrator in order to strengthen management and performance in the permit processing system.

The Department would very much appreciate the Board's support of the Supplemental. The staff fully recognizes the need to improve services at the Department. The first step, we believe is to restore staff resources at least to the level available in the Department prior to the budget cutbacks.

Board of Supervisors
October 17, 1989
Page Three

Finally, the Mayor's office, at our request, is conducting a study of the longer term needs in permit processing. Beyond the current backlog problem, far more resources are needed to computerize case records and permit history, to establish a more effective code enforcement program and to create an efficient public information function in the Department. In this connection, the Budget Analyst report recommends a program be developed, beginning with the 1990-91 budget, to establish a full level of services at the Department.

We are working with the Mayor's Office and Commission to formulate a work program and budget for your consideration in the coming fiscal year.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dean Macris", written in a cursive style.

Dean L. Macris
Director of Planning

DLM/947

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO FIRE DEPARTMENT

FREDERICK F. POSTEL, *Chief of Department*
MICHAEL T. FARRELL, *Deputy Chief... Operations*
JOHN F. BOSCACCI, *Deputy Chief... Administration*



260 GOLDEN GATE AVENUE
SAN FRANCISCO, CALIFORNIA, 94102
(415) 861-8000, EXTENSION 281

October 5, 1989

Stanton W. Jones
Budget Analyst's Office
San Francisco Board of Supervisors
1390 Market Street, Suite 1025
San Francisco, CA 94102

SUBJECT: 1989 Management Audit of the City's
Construction Permit Processing System

Dear Mr. Jones:

Members of my staff have reviewed the management audit of the City's construction permit processing system dated September 1989. We agree with those comments which describe the San Francisco Fire Department's involvement in the permit processing system.

If you have any further questions concerning this matter, please contact Chief Medina at 861-8000, Extension 300.

Very truly yours,

Frederick F. Postel
Chief of Department

cc: Chief Medina

CPF:1km/0457Q



October 10, 1989

Stanton Jones, Budget Analyst
City and County of San Francisco
1390 Market Street, Suite 1025
San Francisco, CA 94102

Dear Mr. Jones:

A review of the "Management Audit of the City's Permit Processing System" by the Budget Analyst for the Board of Supervisors was performed by the Bureau of Environmental Health. The Health Department concurs with the findings of the report as it presently relates to this Department. The Department will continue to staff a Health Inspector within the Bureau of Building Inspection (BBI) to insure coordination with BBI in the City's construction permit processing system.

If we can be of further assistance, please contact Mr. Ben Gale, Director of the Bureau of Environmental Health Services at 101 Grove Street, Room 217 at 554-2795.

Very truly yours,

A handwritten signature in dark ink, appearing to read "David Werdegan". The signature is written in a cursive, flowing style.

David Werdegan, M.D., M.P.H.
Director of Health

DW/BG/KS/pc/0717e



The following information was obtained from the records of the Department of the Interior, Bureau of Land Management, for the year ending December 31, 1964.

The total number of acres of land owned by the United States is 1,043,000,000. The total number of acres of land owned by the State of California is 1,043,000,000. The total number of acres of land owned by the State of California is 1,043,000,000.

The following information was obtained from the records of the Department of the Interior, Bureau of Land Management, for the year ending December 31, 1964.

The total number of acres of land owned by the United States is 1,043,000,000. The total number of acres of land owned by the State of California is 1,043,000,000. The total number of acres of land owned by the State of California is 1,043,000,000.



SAMUEL DUCA, M.A.I.
ASSESSOR

October 3, 1989

Mr. Stanton W. Jones
Office of the Budget Analyst
San Francisco Board of Supervisors
1390 Market Street, Suite 1025
San Francisco, CA 94102

RE: DRAFT REPORT - PERMIT PROCESS

Dear Mr. Jones:

We have reviewed Section 2.4 of your draft "Report to the Board of Supervisors - Management Audit of the City's Permit Processing System". Section 2.4 is captioned "Coordination of Permit Activity with the Assessor's Office".

This is to inform you that we view your comments as accurate and your recommendations as sound and positive.

Sincerely,

A handwritten signature in cursive script, reading "Matthew D. Ashe".

Matthew D. Ashe
Chief Assistant Assessor

MDA:dl

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